

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Daniel K. Arbough**, being duly sworn, deposes and says that he is Treasurer for Louisville Gas and Electric Company and Kentucky Utilities Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Daniel K. Arbough

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 10th day of April 2017.



Notary Public (SEAL)

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF JEFFERSON)

The undersigned, **Kent W. Blake**, being duly sworn, deposes and says that he is Chief Financial Officer for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

Kent W. Blake

Kent W. Blake

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 10th day of April 2017.

Sammy J. Ely (SEAL)

Notary Public

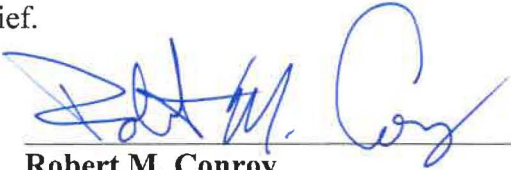
My Commission Expires:

November 9, 2018

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President – State Regulation and Rates for Louisville Gas and Electric Company and Kentucky Utilities Company, an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 11th day of April 2017.


Notary Public (SEAL)

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Christopher M. Garrett**, being duly sworn, deposes and says that he is Director – Rates for LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Christopher M. Garrett

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 13th day of April 2017.


Notary Public (SEAL)

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF JEFFERSON)

The undersigned, **Gregory J. Meiman**, being duly sworn, deposes and says that he is Vice President, Human Resources for Louisville Gas and Electric Company and Kentucky Utilities Company, an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.


Gregory J. Meiman

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 10th day of April 2017.

 (SEAL)
Notary Public

My Commission Expires:
JUDY SCHOOLER
Notary Public, State at Large, KY
My commission expires July 11, 2018
Notary ID # 512743

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(7)(o)
Sponsoring Witness: Kent W. Blake

Description of Filing Requirement:

Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available.

Response:

The Companies have only one monthly budget variance (performance) report used for management reporting to the CEO and executive officers. Beginning January 2016, this performance report includes separate income statement, balance sheet and other analyses for Kentucky Utilities Company and Louisville Gas and Electric Company. Prior to 2016, this report included combined information for LG&E and KU Energy LLC. Certain information responsive to this request is being provided under seal pursuant to a Petition for Confidential Protection.

See attached for the monthly reports for:

- The twelve months prior to the base period - March 2015 through February 2016.
- Each month of the base period - As of the date of the filing only the months of March 2016 through October 2016 are available. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.

Base Period Update Response:

See attached for the monthly reports for November 2016 through February 2017. The Company will provide this data for the remaining periods requested in the upcoming months as it becomes available.



Performance Report

November 2016

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	Current Month		YTD		Full Year	
	Actual	PY	Actual	PY	Forecast	PY
Safety⁽¹⁾						
TCIR - Employees	1.45	1.44	1.12	1.11	1.38	1.22
Employee lost-time incidents	1	0	4	8	9	8
Reliability						
Generation Volumes	2,444	2,622	30,915	31,942	33,937	34,964
Utility EFOR	4.1%	5.7%	5.8%	5.7%	N/A	5.7%
Utility EAF	73.3%	81.9%	83.3%	81.9%	N/A	82.3%
Steam Fleet Commercial Availability	92.8%	92.8%	93.4%	92.8%	N/A	92.8%
Combined SAIFI	0.06	0.06	0.97	0.96	N/A	1.03
Combined SAIDI (minutes)	5.80	5.47	92.57	87.62	N/A	94.09
GwH Sales						
Residential	663	723	9,582	9,872	10,735	10,847
Commercial	587	603	7,331	7,137	8,008	7,793
Industrial	776	839	8,617	9,235	9,433	10,089
Municipals	133	140	1,716	1,729	1,874	1,886
Other	216	224	2,617	2,559	2,856	2,798
Off-System Sales	21	7	205	304	207	322
Total	2,396	2,536	30,068	30,836	33,114	33,735
Weather-Normalized Sales Growth						
Residential			TTM			
Commercial			-2.01%			
Industrial			3.59%			
Municipal			-4.57%			
Other			0.18%			
Total			0.51%			
			-1.12%			

	Current Month		YTD		Full Year	
	Actual	Budget	Actual	Budget	Forecast	Budget
Margins (\$ millions)						
Electric Margins	\$134	\$142	\$1,681	\$1,713	\$1,841	\$1,870
Gas Margins	16	16	148	153	170	175
Capital Expenditures (\$ millions)						
Total	\$65	\$71	\$676	\$896	\$806	\$955
O&M (\$ millions)⁽²⁾						
Total	\$58	\$63	\$637	\$677	\$698	\$731
Head Count						
Full-time Employees	3,504	3,602	3,504	3,602	3,544	3,600
Other Metrics						
Environmental Events	0	0	3	15	N/A	16
NERC Possible Violations ⁽³⁾	0	0	5	7	N/A	8

Financial Metrics	TTM	Full Year	
	Actual	Forecast	Budget
ROE ⁽⁴⁾	9.9%	10.0%	9.8%

Variance Explanations
<ul style="list-style-type: none"> Current month lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$8 million. YTD lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$32 million, \$5 million lower gas margins and \$4 million lower retail rate mechanism revenue. This was partially offset by \$4 million lower production costs and other margin components. Current month lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance and outage expenses and outside services. YTD lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance, storm restoration, vegetation management, uncollectible accounts and outside services. YTD and full year projected capital expenditures were lower than budget primarily due to lower ECR spending on Environmental Air projects at Mill Creek and Ghent, and timing related to Cap and Closure projects and CCR projects at Trimble County.

Major Developments
<ul style="list-style-type: none"> LKE filed its rate case applications on November 23 and as previously announced, intends to seek increases in annual base rates of 8.5% for LG&E Electric, 4.2% for LG&E Gas, and 6.4% for KU. The filings also include requests for Certificates of Public Convenience and Necessity to implement an advanced metering system and a distribution automation program. On December 2, the KPSC accepted our rate case application noting no deficiencies in the filing. This signifies a major first step in the rate case process and starts the timeline for consideration of the case. The Company also filed its responses to the initial set of data requests from the KPSC on December 8. These were standard data requests issued between the notice and filing of the case. The Company continues to advance technology and customer choices. LKE representatives and Louisville-area officials and neighborhood business leaders unveiled our first publicly available electric vehicle charging station in Louisville. The station is located in the 1100 block of East Washington Street, and is among the first of 20 public stations LG&E and KU will install across its service territories. The charging program was approved by the KPSC in April.

(1) Full year forecast amount shown represents target.
 (2) Net of cost recovery mechanisms.
 (3) The possible violation issues are believed to be minimal risk.
 (4) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated

November 2016

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 207	\$ 228	\$ (21)	Due to lower FAC revenues based on the lower fuel costs shown below along with lower residential and industrial revenues, including the loss of Verso (NewPage) as a customer.
Gas Revenues	27	31	(4)	
Total Revenues	234	259	(25)	
Cost of Sales:				
Fuel Electric Costs	55	66	12	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	12	15	3	
Purchased Power	5	4	(0)	
Other Electric Cost	14	15	1	
Total Cost of Sales	85	101	16	
Gross Margin:				
Electric Margin	134	142	(8)	Lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$8 million.
Gas Margin	16	16	(0)	
Total Gross Margin	149	158	(9)	
Operating Expenses:				
O&M	58	63	4	Lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance and outage expenses and outside services.
Depreciation & Amortization	29	30	1	
Taxes, Other than Income	5	5	(0)	
Total Operating Expenses	92	98	5	
Other income (expense)	(0)	(0)	(0)	
EBIT	57	60	(3)	
Interest Expense	18	18	1	
Income from Ongoing Operations before income taxes	39	42	(3)	
Income Tax Expense	15	16	1	
Net Income (loss) from ongoing operations	24	26	\$ (2)	
Discontinued Operations	(0)	(0)	0	
Net Income (loss)	\$ 24	\$ 26	\$ (2)	
KY Regulated Financing Costs	(3)	(2)	(0)	
KY Regulated Net Income	\$ 22	\$ 23	\$ (2)	
Earnings Per Share - Ongoing	\$ 0.03	\$ 0.03	\$ (0.00)	

Note: Schedules may not sum due to rounding.

Attachment to Filing Requirement

807 KAR 5:001 Section 16(7)(o)

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Blake

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated

November 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 2,600	\$ 2,756	\$ (155)	Due to lower volumes driven by unfavorable weather, ECR revenue and lower FAC revenue from lower fuel costs (see below), and industrial volumes. See Gas Supply Expenses explanation below.
Gas Revenues	248	282	(33)	
Total Revenues	2,849	3,037	(189)	
Cost of Sales:				
Fuel Electric Costs	722	823	101	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	100	129	29	Due to lower gas usage (mild weather) and prices as well as lower net purchases.
Purchased Power	51	53	2	
Other Electric Cost	146	166	20	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	1,019	1,171	152	
Gross Margin:				
Electric Margin	1,681	1,713	(32)	Lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$32 million and \$4 million lower retail rate mechanism revenue. This was partially offset by \$4 million lower production costs and other margin components.
Gas Margin	148	153	(5)	Lower margins primarily due to lower sales volumes due to unfavorable weather.
Total Gross Margin	1,829	1,866	(37)	
Operating Expenses:				
O&M	637	677	40	Lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance, storm restoration, vegetation management, uncollectible accounts and outside services.
Depreciation & Amortization	319	328	9	Lower depreciation primarily due to project completion and spending updates as well as higher level of retirements this year.
Taxes, Other than Income	52	52	(0)	
Total Operating Expenses	1,008	1,057	48	
Other income (expense)	(10)	(6)	(4)	
EBIT	811	803	8	
Interest Expense	195	199	4	
Income from Ongoing Operations before income taxes	617	604	12	
Income Tax Expense	232	231	(1)	
Net Income (loss) from ongoing operations	385	374	\$ 11	
Discontinued Operations	0	(0)	0	
Net Income (loss)	\$ 385	\$ 374	\$ 11	
KY Regulated Financing Costs	(28)	(27)	(0)	
KY Regulated Net Income	\$ 357	\$ 346	\$ 11	
Earnings Per Share - Ongoing	\$ 0.52	\$ 0.51	\$ 0.01	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LG&E
November 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,042	\$ 1,082	\$ (40)	Due to lower volumes driven by unfavorable weather, lower ECR revenue and lower FAC revenue from lower fuel costs (see below), and lower industrial volumes.
Gas Revenues	248	282	(33)	See Gas Supply Expenses explanation below.
Total Revenues	1,290	1,364	(74)	
Cost of Sales:				
Fuel Electric Costs	276	303	27	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	100	129	29	Due to lower gas usage (mild weather) and prices
Purchased Power	50	56	6	Lower purchased power due to lower commodity prices.
Other Electric Cost	57	68	11	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	483	555	73	
Gross Margin:				
Electric Margin	660	656	4	
Gas Margin	148	153	(5)	
Total Gross Margin	808	809	(1)	
Operating Expenses:				
O&M	285	307	21	Lower O&M primarily due to timing of plant maintenance and outages, vegetation management, storm restoration and labor and burden savings.
Depreciation & Amortization	129	133	4	
Taxes, Other than Income	26	26	(0)	
Total Operating Expenses	440	465	25	
Other income (expense)	(6)	(2)	(3)	
EBIT	362	341	21	
Interest Expense	64	65	1	
Income from Ongoing Operations before income taxes	298	276	22	
Income Tax Expense	114	106	(8)	Due to higher pre-tax income.
Net Income (loss) from ongoing operations	184	170	\$ 14	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - KU
November 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,592	\$ 1,726	\$ (134)	Due to lower volumes driven by unfavorable weather, lower ECR revenue and by the loss of Verso (NewPage) as a customer.
Gas Revenues	-	-	-	
Total Revenues	1,592	1,726	(134)	
Cost of Sales:				
Fuel Electric Costs	448	524	76	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	-	-	-	
Purchased Power	33	46	13	Lower purchased power due to lower commodity prices.
Other Electric Cost	89	99	10	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	571	669	98	
Gross Margin:				
Electric Margin	1,021	1,057	(36)	Primarily related to lower Electric Revenues. See explanation above.
Gas Margin	-	-	-	
Total Gross Margin	1,021	1,057	(36)	
Operating Expenses:				
O&M	330	350	20	Lower O&M primarily due to timing of plant maintenance, lower storm restoration, vegetation management and outside services along with labor and burden savings.
Depreciation & Amortization	190	194	5	Lower depreciation primarily due to project completion and spending updates as well as higher level of retirements this year.
Taxes, Other than Income	26	26	0	
Total Operating Expenses	546	571	25	
Other income (expense)	(4)	(4)	(0)	
EBIT	472	483	(11)	
Interest Expense	88	89	2	
Income from Ongoing Operations before income taxes	384	393	(9)	
Income Tax Expense	147	150	3	
Net Income (loss) from ongoing operations	238	243	\$ (6)	

Note: Schedules may not sum due to rounding.

LKE Electric Margin

	Actual	Budget	Variance
Base Energy	65	70	(5) ▼
Demand	41	44	(3) ▼
Base Service Charge	14	14	(0) ▼
Rate Mechanisms	17	17	(0) ▼
Other Rev/Cost of Sales	(1)	(0)	(0) ▼
Other Margin Items	(2)	(2)	(0) ▼
Total	134	142	(8) ▼

LG&E Electric Margin

	Actual	Budget	Variance
Base Energy	26	27	(1) ▼
Demand	14	14	0 ▲
Base Service Charge	6	6	(0) ▼
Rate Mechanisms	8	9	(0) ▼
Other Rev/Cost of Sales	(0)	(0)	0 ▲
Other Margin Items	(2)	(2)	(0) ▼
Total	52	53	(1) ▼

KU Electric Margin

	Actual	Budget	Variance
Base Energy	39	43	(4) ▼
Demand	28	30	(3) ▼
Base Service Charge	8	8	0 ▲
Rate Mechanisms	9	8	0 ▲
Other Rev/Cost of Sales	(1)	(0)	(0) ▼
Other Margin Items	(0)	0	(0) ▼
Total	82	90	(7) ▼

LKE Base Energy Price/Vol Variance

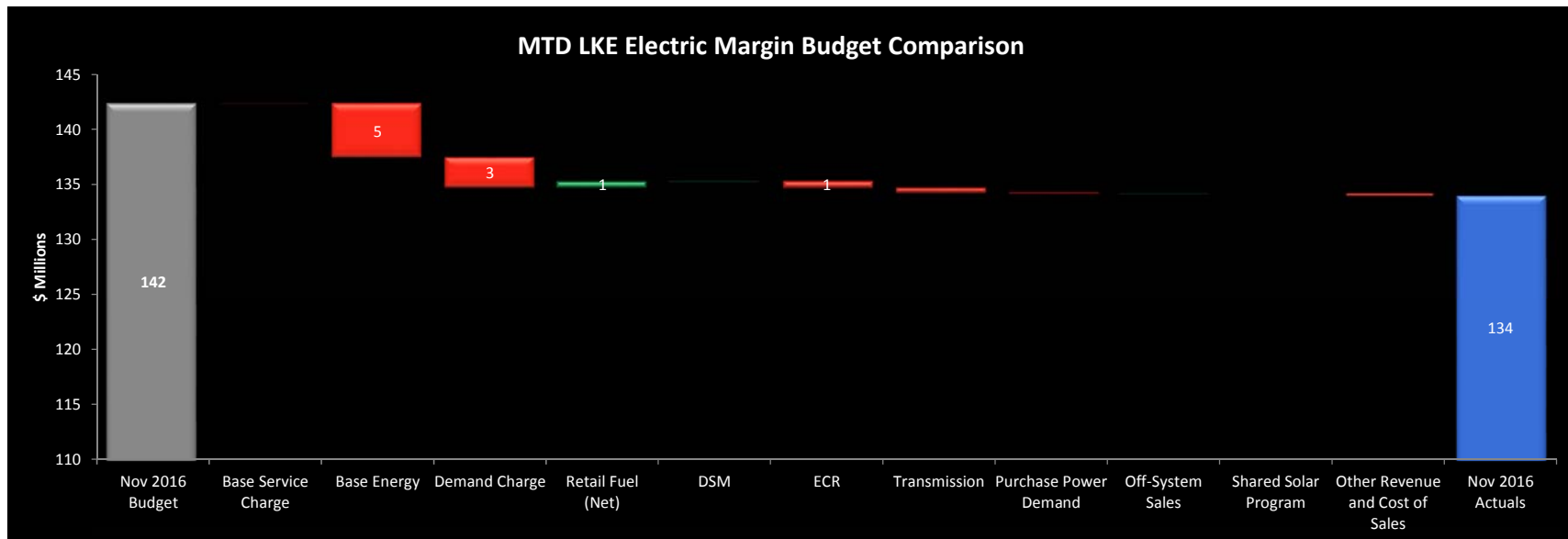
	Volume	Price	Total Variance
Residential	(3)	1	(3)
Commercial	(1)	(1)	(2)
Industrial	(0)	0	(0)
Public Authority	(0)	(0)	(0)
Street Lights	(0)	0	0
Municipals	(0)	(0)	(0)
Other	0	0	0
Total	(4)	(0)	(5)

LG&E Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(1)	0	(1)
Commercial	0	(0)	(0)
Industrial	(0)	0	(0)
Public Authority	0	0	0
Street Lights	0	(0)	0
Municipals	0	0	0
Other	0	0	0
Total	(1)	(0)	(1)

KU Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(2)	0	(2)
Commercial	(1)	(1)	(1)
Industrial	(0)	0	(0)
Public Authority	(0)	(0)	(0)
Street Lights	(0)	0	0
Municipals	(0)	(0)	(0)
Other	0	0	0
Total	(4)	(0)	(4)



Note: For additional detailed information, please refer to the monthly Margin results files per Revenue Accounting & Analysis Department.

LKE Electric Margin

	Actual	Budget	Variance
Base Energy	875	893	(18) ▼
Demand	501	515	(14) ▼
Base Service Charge	151	151	(0) ▼
Rate Mechanisms	175	180	(4) ▼
Other Rev/Cost of Sales	(4)	(6)	2 ▲
Other Margin Items	(18)	(19)	2 ▲
Total	1681	1713	(32) ▼

LG&E Electric Margin

	Actual	Budget	Variance
Base Energy	360	360	0 ▲
Demand	166	165	1 ▲
Base Service Charge	61	62	(1) ▼
Rate Mechanisms	91	91	(1) ▼
Other Rev/Cost of Sales	(0)	(2)	2 ▲
Other Margin Items	(18)	(20)	2 ▲
Total	660	656	4 ▲

KU Electric Margin

	Actual	Budget	Variance
Base Energy	515	533	(18) ▼
Demand	335	350	(15) ▼
Base Service Charge	90	89	0 ▲
Rate Mechanisms	85	88	(3) ▼
Other Rev/Cost of Sales	(4)	(4)	1 ▲
Other Margin Items	0	1	(0) ▼
Total	1021	1057	(36) ▼

LKE Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(15)	6	(10)
Commercial	6	(9)	(3)
Industrial	(5)	2	(3)
Public Authority	1	(1)	0
Street Lights	(1)	2	0
Municipals	(0)	(2)	(2)
Other	0	0	0
Total	(15)	(3)	(18)

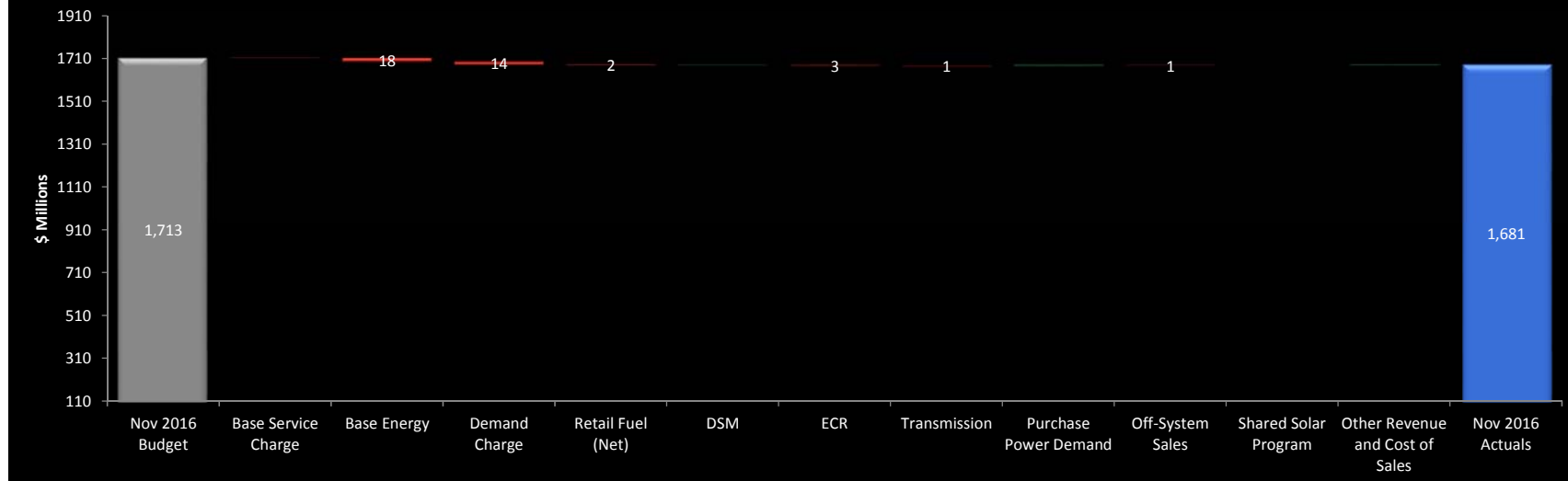
LG&E Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(3)	2	(1)
Commercial	7	(5)	1
Industrial	(3)	1	(2)
Public Authority	1	0	1
Street Lights	0	(0)	0
Municipals	0	0	0
Other	0	0	0
Total	2	(2)	0

KU Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(12)	3	(9)
Commercial	(1)	(4)	(5)
Industrial	(2)	1	(1)
Public Authority	0	(1)	(1)
Street Lights	(2)	2	(0)
Municipals	(0)	(2)	(2)
Other	0	0	0
Total	(17)	(1)	(18)

YTD LKE Electric Margin Budget Comparison



Note: For additional detailed information, please refer to the monthly Margin results files per Revenue Accounting & Analysis Department.

Gas Gross Margin

November 2016

(\$ Millions)

	MTD				YTD			
	Actual	Budget	Subtotal	Margin Variance	Actual	Budget	Subtotal	Margin Variance
Gas Base Service Charge	\$ 5	\$ 5		♦ (0)	\$ 57	\$ 57		♦ \$ (0)
Gas Supply Costs								
Gas Supply Costs	(11)	(14)	\$ 3		(90)	(117)	\$ 27	
GSC Revenue	11	14	\$ (3)		90	117	\$ (27)	
Net Gas Supply Costs				● 0				● \$ 1
Retail Gas (a)	8	9		♦ (1)	70	80		♦ \$ (10)
Wholesale Gas (a)	-	-		● -	(0)	-		♦ \$ (0)
DSM	0	0		♦ (0)	0	1		♦ \$ (1)
GLT	1	1		● 0	14	13		● \$ 1
WNA	1	-		● 1	5	-		● \$ 5
Other Margin	0	0		♦ (0)	1	1		♦ \$ (0)
Gas Margin Variance				♦ \$ (0)				♦ \$ (5)

(a) Retail and wholesale gas sales - excludes GSC

	MTD								
	Actual			Budget			Variance		
	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume \$mil	Price \$mil
Residential	\$ 5	1,684,298	\$ 2.87	\$ 6	2,043,361	\$ 2.87	♦ (\$1.0)	♦ (\$1.0)	♦ (\$0.0)
Commercial	2	725,513	2.15	2	760,043	2.14	♦ (\$0.1)	♦ (\$0.1)	● \$0.0
Industrial	0	166,726	2.07	0	161,862	2.20	♦ (\$0.0)	● \$0.0	♦ (\$0.0)
Public Authority	0	95,237	2.09	0	124,419	2.07	♦ (\$0.1)	♦ (\$0.1)	● \$0.0
Transportation	1	1,159,578	0.55	1	1,445,424	0.50	♦ (\$0.1)	♦ (\$0.1)	● \$0.1
Interdepartmental	0	23,443	9.36	0	10,615	28.00	♦ (\$0.1)	● \$0.4	♦ (\$0.4)
Ultimate Consumer	\$ 8	3,854,795	\$ 2.02	\$ 9	4,545,723	\$ 2.01	♦ (\$1.3)	♦ (\$0.9)	♦ (\$0.4)

	YTD								
	Actual			Budget			Variance		
	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume \$mil	Price \$mil
Residential	\$ 42	14,554,320	\$ 2.87	\$ 50	17,301,009	\$ 2.87	♦ (\$8)	♦ (8)	♦ \$ (0)
Commercial	15	6,953,129	2.09	16	7,549,220	2.13	♦ (\$2)	♦ (1)	♦ \$ (0)
Industrial	2	1,081,705	1.97	3	1,327,490	2.12	♦ (\$1)	♦ (1)	♦ \$ (0)
Public Authority	2	941,937	2.03	3	1,212,734	2.06	♦ (\$1)	♦ (1)	♦ \$ (0)
Transportation	6	12,404,558	0.51	6	11,401,150	0.50	● \$1	● \$1	● \$0
Interdepartmental	3	312,154	10.59	3	1,210,157	2.75	♦ (\$0)	♦ (\$2)	● \$2
Ultimate Consumer	\$ 70	36,247,803	\$ 1.93	\$ 80	40,001,760	\$ 2.00	♦ (\$10)	♦ (\$12)	● \$2

(\$ Millions)

	MTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	20	21	0	0	(0)	(1)	2	(1)
Project Engineering	0	0	0	0	(0)	(0)	(0)	0
Transmission	3	2	(0)	0	(0)	(0)	0	0
Energy Supply and Analysis	1	1	0	0	-	0	0	0
Generation Services	1	1	0	0	(0)	0	(0)	0
Electric Distribution	5	6	0	0	1	(0)	0	0
Gas Distribution	3	3	(0)	0	0	(0)	(0)	0
Safety and Technical Training	0	0	0	(0)	(0)	0	0	0
Customer Services	6	7	0	0	(0)	(0)	(0)	0
Chief Operations Officer	40	41	1	1	(0)	(2)	2	(0)
General Counsel	1	2	1	0	(0)	0	0	1
Human Resources	0	1	0	0	(0)	0	(0)	0
General Counsel & HR	2	3	1	0	(0)	0	0	1
Audit Services	0	0	0	0	-	0	(0)	0
Controller	1	1	0	(0)	-	0	0	0
Information Technology	4	5	0	0	(0)	(0)	0	(0)
Supply Chain	0	0	(0)	(0)	-	0	0	(0)
Treasurer	1	1	(0)	(0)	-	(0)	(0)	(0)
State Regulation and Rates	0	0	0	(0)	-	0	(0)	0
Chief Financial Officer	7	7	0	0	(0)	0	0	(0)
Corporate	10	12	2	2	(0)	0	(0)	0
O&M Total MTD	58	63	4	3	(0)	(1)	2	1

	YTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	182	192	10	3	(3)	3	12	(5)
Project Engineering	0	1	0	0	(0)	(0)	(0)	0
Transmission	26	28	2	0	0	(0)	0	1
Energy Supply and Analysis	8	8	0	0	(0)	0	0	0
Generation Services	13	14	1	0	(0)	1	(0)	1
Electric Distribution	63	67	4	(1)	6	(2)	0	1
Gas Distribution	30	31	1	1	(1)	0	0	0
Safety and Technical Training	5	5	0	(0)	(0)	0	0	0
Customer Services	75	80	5	1	0	1	0	3
Chief Operations Officer	402	426	24	5	2	3	12	1
General Counsel	26	29	3	0	0	1	1	2
Human Resources	6	7	1	0	(0)	0	0	0
General Counsel & HR	32	36	4	0	0	1	1	2
Audit Services	1	2	0	0	-	(0)	0	0
Controller	9	9	0	(0)	-	0	0	0
Information Technology	50	55	5	3	(0)	1	0	0
Supply Chain	4	4	(0)	(0)	(0)	0	0	(0)
Treasurer	10	10	0	(0)	-	(0)	(0)	1
State Regulation and Rates	3	3	(0)	0	-	0	(0)	0
Chief Financial Officer	77	83	5	3	(0)	1	0	2
Corporate	126	133	7	5	(3)	3	(1)	2
O&M Total YTD	637	677	40	14	(0)	8	12	6

	Full Year			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Forecast	Budget	Total Variance					
Generation	197	206	8	3	(3)	1	9	(1)
Project Engineering	0	1	0	0	(0)	(0)	(0)	0
Transmission	29	30	1	0	(0)	(0)	0	1
Energy Supply and Analysis	8	9	0	0	(0)	0	0	0
Generation Services	14	15	1	0	(0)	1	(0)	1
Electric Distribution	68	73	4	(1)	6	(1)	(0)	1
Gas Distribution	33	34	1	1	(1)	0	(0)	0
Safety and Technical Training	5	5	0	(0)	(0)	0	0	0
Customer Services	82	87	5	1	0	1	0	3
Chief Operations Officer	438	459	21	4	2	1	9	5
General Counsel	30	32	2	0	0	0	0	1
Human Resources	6	7	1	0	(0)	0	0	0
General Counsel & HR	37	39	2	0	0	0	0	1
Audit Services	2	2	0	0	-	(0)	0	0
Controller	10	10	0	(0)	-	0	0	0
Information Technology	55	60	5	3	(0)	1	0	0
Supply Chain	4	4	(0)	(0)	(0)	0	0	(0)
Treasurer	11	11	0	(0)	-	(0)	(0)	1
State Regulation and Rates	4	3	(0)	(0)	-	0	(0)	0
Chief Financial Officer	84	90	5	3	(0)	1	0	2
Corporate	140	144	4	3	(2)	2	(1)	2
O&M Total Full Year	698	731	33	10	(0)	4	9	10

Note: Schedules may not sum due to rounding.

Financing Activities			November 2016			
(\$ Millions)						
Balance Sheet	YTD			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
PCB						
Beg Bal	\$ 923.9	\$ 923.8	\$ (0.1)	\$ 898.9	\$ 923.8	\$ 24.9
End Bal	923.8	923.8	(0.0)	898.9	923.8	24.9
Ave Bal	\$ 923.8	\$ 923.8	\$ (0.0)	\$ 898.9	\$ 923.8	\$ 24.9
Interest Exp	\$ 11.8	\$ 12.7	\$ 0.9	\$ 12.8	\$ 13.9	\$ 1.0
Rate	1.37%	1.48%	0.11%	1.41%	1.48%	0.07%
FMB/Sr Nts/Loan with PPL						
Beg Bal	\$ 4,210.0	\$ 4,210.0	\$ -	\$ 4,210.0	\$ 4,210.0	\$ -
End Bal	4,210.0	4,210.0	-	4,210.0	4,210.0	-
Ave Bal	\$ 4,210.0	\$ 4,210.0	\$ -	\$ 4,210.0	\$ 4,210.0	\$ -
Interest Exp	\$ 162.5	\$ 162.5	\$ 0.0	\$ 175.3	\$ 175.3	\$ (0.0)
Rate	4.15%	4.15%	0.00%	4.10%	4.10%	0.00%
Short-term Debt						
Beg Bal	\$ 318.9	\$ 297.0	\$ (21.9)	\$ 509.7	\$ 347.7	\$ (162.0)
End Bal	295.9	353.7	57.8	433.0	347.7	(85.3)
Ave Bal	\$ 307.4	\$ 325.4	\$ 18.0	\$ 471.3	\$ 347.7	\$ (123.7)
Interest Exp	\$ 3.5	\$ 4.3	\$ 0.8	\$ 5.0	\$ 4.8	\$ (0.2)
Rate	1.23%	1.42%	0.20%	1.04%	1.35%	0.31%
Unamortized Debt Expense Bonds						
Beg Bal	\$ (46.3)	\$ (41.1)	\$ 5.3	\$ (43.2)	\$ (39.6)	\$ 3.6
End Bal	(44.3)	(40.3)	4.0	(43.8)	(39.6)	4.2
Ave Bal	\$ (45.3)	\$ (40.7)	\$ 4.6	\$ (43.5)	\$ (39.6)	\$ 3.9
Total End Bal	\$ 5,385.4	\$ 5,447.2	\$ 61.8	\$ 5,498.0	\$ 5,441.9	\$ (56.2)
Total Average Bal	\$ 5,395.9	\$ 5,418.5	\$ 22.6	\$ 5,536.7	\$ 5,441.9	\$ (94.8)
Total Expense Excl I/C ⁽¹⁾	\$ 194.7	\$ 199.0	\$ 4.3	\$ 212.4	\$ 217.2	\$ 4.8
Rate	3.85%	3.92%	0.07%	3.74%	3.90%	0.15%

⁽¹⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity
	Capacity	Borrowed ⁽²⁾		
LKE	\$ 300	\$ 159		\$ 141
LG&E	500	137		363
KU	598	-	\$ 198	400
TOTAL	\$ 1,398	\$ 296	\$ 198	\$ 904

⁽²⁾ LG&E and KU borrowed amounts represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾ Moody's	LKE 2016		LG&E 2016		KU 2016	
	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	19%	19%	28%	27%	27%	27%
CFO pre-WC + Interest / Interest	5.9	5.7	8.3	8.1	7.5	7.6
CFO pre-WC - Dividends / Debt	16%	22%	28%	27%	17%	36%
Debt to Capitalization ⁽²⁾	47%	47%	38%	39%	38%	38%

Credit Metrics Moody's	LKE 2016 BP		LG&E 2016 BP		KU 2016 BP	
	2017	2018	2017	2018	2017	2018
CFO pre-WC / Debt	19%	20%	28%	29%	28%	26%
CFO pre-WC + Interest / Interest	5.8	5.7	7.9	7.8	7.7	7.2
CFO pre-WC - Dividends / Debt	27%	27%	35%	38%	36%	32%
Debt to Capitalization ⁽²⁾	45%	45%	38%	37%	37%	37%

⁽¹⁾ Actuals represent a trailing 12 months.

⁽²⁾ For LG&E and KU this excludes purchase accounting adjustments and corresponding goodwill.

Financial Strength Factor (40% Weighting) -- Low Business Risk Grid

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	19% - 27%	11% - 19%	5% - 11%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	15% - 23%	7% - 15%	0% - 7%
Debt / Capitalization	7.5%	40% - 50%	50% - 59%	59% - 67%

As of December 31, 2015	Senior Unsecured	Senior Secured	Commercial Paper
	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Balance Sheet - LKE Consolidated

November 2016

(\$ Millions)

	11/30/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 28	\$ 14	\$ 14	Primarily due to the timing of cash balances impacted by payments associated with money pool transactions.
Accounts Receivable (Trade)	349	362	(13)	
Inventory	301	295	6	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	22	66	(44)	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates and decrease in the FAC balance due to lower costs of native fuel expense.
Prepayments and other current assets	41	40	1	
Total Current Assets	742	778	(35)	
Property, Plant, and Equipment	11,552	11,848	(296)	
Intangible Assets	99	83	16	Amortization related to software classified as intangibles in budget versus PP&E in actuals.
Other Property and Investments	1	1	-	
Regulatory Assets Non Current	757	751	6	
Goodwill	997	997	-	
Other Long-term Assets	77	84	(8)	
Total Assets	\$ 14,226	\$ 14,542	\$ (317)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 226	\$ 270	\$ (44)	Primarily due to decrease in accruals and timing of other payables.
Dividends Payable to Affiliated Companies	92	(0)	92	
Customer Deposits	55	52	3	
Derivative Liability	5	5	(0)	
Accrued Taxes	68	108	(39)	Due to difference in assumption related to expected income tax extension settlement and budget did not reflect delayed timing of property tax payments that occurred in Q1. In Q3, NOL addition and utilization were actualized causing accrued taxes to decrease by \$16 mil (\$-13 mil LGE, \$-10 mil KU, +\$7 mil LKE Other).
Regulatory Liabilities Current	22	29	(7)	
Other Current Liabilities	185	195	(10)	
Total Current Liabilities	655	659	(5)	
Debt - Affiliated Company	559	420	139	Increase in affiliate debt due to payoff of \$75m credit facility and other funding needs. Budget assumed pay down of affiliate debt balance in March 2016 and quarterly pay off of any cash needed for operations on non quarter months. The forecast does not assume any pay off of the short term debt with affiliate. Prior years federal and state tax settlement generated \$10.5 mil in cash at LKE Other.
Debt ⁽¹⁾	4,826	5,028	(201)	
Total Debt	5,385	5,447	(62)	
Deferred Tax Liabilities	1,672	1,641	32	
Investment Tax Credit	132	125	7	
Accum Provision for Pension & Related Benefits	246	270	(23)	
Asset Retirement Obligation	383	506	(123)	Primarily due to ARO revaluation to reflect updates in the estimated cash flows for ash and environmental ponds as a result of further engineering refinements to the design.
Regulatory Liabilities Non Current	905	852	53	
Derivative Liability	37	42	(5)	
Other Liabilities	182	195	(13)	
Total Deferred Credits and Other Liabilities	3,558	3,630	(72)	
Equity	4,628	4,806	(178)	
Total Liabilities and Equity	\$ 14,226	\$ 14,542	\$ (317)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

Balance Sheet - LG&E

November 2016

(\$ Millions)

	11/30/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 5	\$ 5	\$ (0)	
Accounts Receivable (Trade)	153	156	(3)	
Inventory	152	146	7	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	9	25	(15)	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates.
Prepayments and other current assets	36	32	4	
Total Current Assets	355	364	(9)	
Property, Plant, and Equipment	4,968	5,100	(132)	
Intangible Assets	6	(2)	8	
Other Property and Investments	1	1	-	
Regulatory Assets Non Current	414	417	(3)	
Goodwill	-	-	-	
Other Long-term Assets	17	19	(2)	
Total Assets	\$ 5,760	\$ 5,898	\$ (138)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 144	\$ 187	\$ (43)	Primarily due to decrease in accruals and timing of other payables.
Dividends Payable to Affiliated Companies	41	38	3	
Customer Deposits	26	25	1	
Derivative Liability	5	5	(0)	
Accrued Taxes	34	59	(26)	Due to difference in assumption related to expected income tax extension settlement and budget did not reflect delayed timing of property tax payments that occurred in Q1. Rebalancing NOL Addition in Q3 for the change in summer months income caused a \$9 mil decrease in Accrued Taxes.
Regulatory Liabilities Current	6	13	(6)	
Other Current Liabilities	79	69	10	Primarily due to reclassification of ARO liability from long-term to current.
Total Current Liabilities	336	397	(61)	
Debt - Affiliated Company	4	-	4	
Debt ⁽¹⁾	1,779	1,840	(61)	
Total Debt	1,783	1,840	(57)	
Deferred Tax Liabilities	944	924	20	
Investment Tax Credit	37	34	3	
Accum Provision for Pension & Related Benefits	19	39	(19)	Primarily due to additional pension contribution partially offset by roll forward of funded status, both of which are not included in budgeted amounts.
Asset Retirement Obligation	110	155	(45)	Primarily due to ARO revaluation to reflect updates in the estimated cash flows for ash and environmental ponds as a result of further engineering refinements to the design and reclassification of a portion of ARO liability from long-term to current.
Regulatory Liabilities Non Current	365	340	25	
Derivative Liability	37	42	(5)	
Other Liabilities	86	89	(3)	
Total Deferred Credits and Other Liabilities	1,598	1,622	(24)	
Equity	2,043	2,040	4	
Total Liabilities and Equity	\$ 5,760	\$ 5,898	\$ (138)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.

Balance Sheet - KU

November 2016

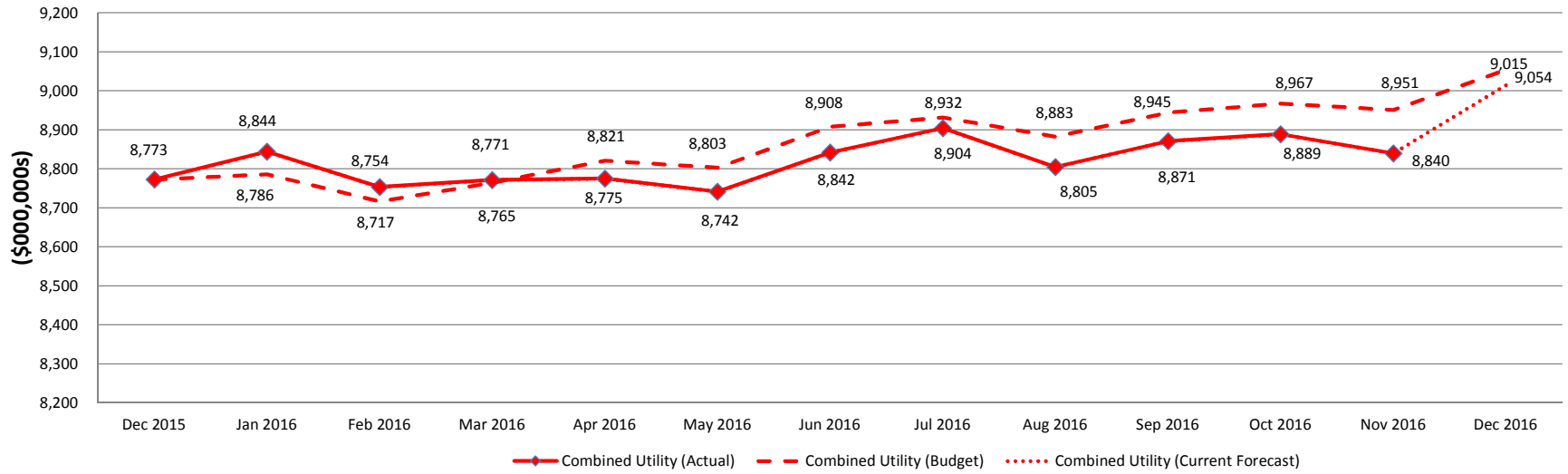
(\$ Millions)

	11/30/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 24	\$ 5	\$ 18	Primarily due to the timing of cash balances impacted by payments associated with money pool transactions.
Accounts Receivable (Trade)	195	204	(9)	
Inventory	149	149	(0)	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	13	42	(29)	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates and decrease in the FAC balance due to lower costs of native fuel expense.
Prepayments and other current assets	24	20	4	
Total Current Assets	404	420	(16)	
Property, Plant, and Equipment	6,576	6,740	(163)	
Intangible Assets	13	6	7	
Other Property and Investments	0	0	-	
Regulatory Assets Non Current	340	330	10	
Goodwill	-	-	-	
Other Long-term Assets	57	56	1	
Total Assets	\$ 7,391	\$ 7,552	\$ (161)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 115	\$ 127	\$ (12)	
Dividends Payable to Affiliated Companies	51	50	1	
Customer Deposits	29	26	2	
Derivative Liability	-	-	-	
Accrued Taxes	34	51	(17)	Due to difference in assumption related to expected income tax extension settlement and budget did not reflect delayed timing of property tax payments that occurred in Q1. IN Q3, KU had more NOL utilization than budget causing Accrued taxes to decrease by \$7 mil.
Regulatory Liabilities Current	16	16	(1)	
Other Current Liabilities	57	74	(17)	Primarily due to reclassification of ARO liability from long-term to current and timing of payables.
Total Current Liabilities	302	345	(43)	
Debt - Affiliated Company	-	-	-	
Debt ⁽¹⁾	2,324	2,386	(62)	
Total Debt	2,324	2,386	(62)	
Deferred Tax Liabilities	1,166	1,168	(2)	
Investment Tax Credit	95	91	4	
Accum Provision for Pension & Related Benefits	35	38	(3)	
Asset Retirement Obligation	273	351	(79)	Primarily due to ARO revaluation to reflect updates in the estimated cash flows for ash and environmental ponds as a result of further engineering refinements to the design.
Regulatory Liabilities Non Current	460	431	29	
Derivative Liability	-	-	-	
Other Liabilities	47	55	(9)	
Total Deferred Credits and Other Liabilities	2,076	2,135	(60)	
Equity	2,689	2,685	3	
Total Liabilities and Equity	\$ 7,391	\$ 7,552	\$ (161)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.

Rate Base Growth





Performance Report

December 2016

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Kentucky Regulated Dashboard

December 2016

	Current Month		YTD	
	Actual	PY	Actual	PY
Safety				
TCIR - Employees	1.11	2.63	1.12	1.22
Employee lost-time incidents	1	0	5	8
Reliability	Actual	Budget	Actual	Budget
Generation Volumes	3,015	3,022	33,930	34,964
Utility EFOR	0.8%	5.7%	5.3%	5.7%
Utility EAF	98.0%	82.3%	84.6%	82.3%
Steam Fleet Commercial Availability	99.8%	92.8%	94.0%	92.8%
Combined SAIFI	0.07	0.07	1.04	1.03
Combined SAIDI (minutes)	7.90	6.47	100.47	94.09
GwH Sales	Actual	Budget	Actual	Budget
Residential	1,050	975	10,632	10,847
Commercial	653	656	7,984	7,793
Industrial	757	854	9,374	10,089
Municipals	159	156	1,876	1,886
Other	222	239	2,839	2,798
Off-System Sales	97	18	301	322
Total	2,938	2,898	33,006	33,735
Weather-Normalized Sales Growth			TTM	
Residential			-0.03%	
Commercial			3.77%	
Industrial			-4.13%	
Municipal			0.38%	
Other			0.37%	
Total			-0.31%	

	Current Month		YTD	
	Actual	Budget	Actual	Budget
Margins (\$ millions)				
Electric Margins	\$157	\$157	\$1,838	\$1,870
Gas Margins	22	22	171	175
Capital Expenditures (\$ millions)	Actual	Budget	Actual	Budget
Total	\$88	\$59	\$764	\$955
O&M (\$ millions)⁽¹⁾	Actual	Budget	Actual	Budget
Total	\$57	\$54	\$695	\$731
Head Count	Actual	Budget	Actual	Budget
Full-time Employees	3,507	3,600	3,507	3,600
Other Metrics	Actual	PY	Actual	PY
Environmental Events	0	1	3	16
NERC Possible Violations ⁽²⁾	0	1	5	8

	TTM	
	Actual	Budget
Financial Metrics		
ROE ⁽³⁾	10.1%	9.8%

Variance Explanations
<ul style="list-style-type: none"> • YTD lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$30 million, \$6 million lower retail rate mechanism revenue and \$4 million lower gas margins. This was partially offset by \$5 million lower production costs and other margin components. • YTD lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance, storm restoration, vegetation management, uncollectible accounts and outside services. • MTD capital expenditures were higher than budget primarily due to higher non-mechanism Power Generation spending. • YTD capital expenditures were lower than budget primarily due to lower ECR spending on Environmental Air projects at Mill Creek, and timing related to Cap and Closure projects and CCR projects at Trimble County.

Major Developments
<ul style="list-style-type: none"> • The November 2016 rate case filing for LG&E and KU is proceeding as planned, with LKE currently addressing data requests from the KPSC and other intervenors. On the due date for the initial round of discovery (second for the KPSC), the Companies received 3,400 data requests from the 16 parties in the case, with responses due 2 weeks later. • LG&E won another J.D. Power award for customer satisfaction, ranking first among the mid-sized utilities in the Midwest region in the 2017 Electric Utility Business Study. KU finished directly behind LG&E in second place. These results reflect our employees' continued focus on the customer experience. • The Mill Creek Environmental Air Compliance Project won the 2016 Coal-Fired Power Project of the Year Award presented at POWER_GEN International in Orlando Florida. Project of the year awards honor excellence in design, construction, and engineering of power generation facilities worldwide. Awards were presented to the best coal-fired, natural gas, renewable, and combined heat and power. • On December 29, there was an internal combustion in the Mill Creek Unit 1 coal pulverizer mill attributed to wet fuel. The force of the combustion caused a metal plate on the back side of the mill to separate from the mill and allowed the combustion to release outside of the mill. Six PIC contractor employees were treated for injuries and four were determined recordable incidents. Importantly, all six contractors are doing well. Reviews indicate there was no process, operator or human error involved. However, LKE is continuing its root cause analysis to determine whether there may be additional opportunities to improve the overall processes associated with burning wet coal. • Through the Company's 2016 annual charitable-giving campaign, Power of One, LKE donated more than \$1.8 million to Metro United Way, Fund for the Arts and Crusade for Children. The figure represented nearly a five percent increase over previous year's results, and was the highest amount ever pledged in the history of the campaign. More than 2/3 of LKE's employees participated through payroll deduction.

(1) Net of cost recovery mechanisms.
 (2) The possible violation issues are believed to be minimal risk.
 (3) Excludes goodwill and other purchase accounting adjustments.

Significant Future Events
<ul style="list-style-type: none"> • Regarding the Kentucky rate cases, intervenor testimony will be filed March 3, and the Company's rebuttal testimony will be filed April 14. A formal hearing has not been scheduled, however, it is expected to be in late April or early May.

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated
December 2016

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 249	\$ 256	\$ (7)	Due to lower FAC revenues based on the lower fuel costs shown below.
Gas Revenues	47	49	(2)	
Total Revenues	296	304	(9)	
Cost of Sales:				
Fuel Electric Costs	71	78	7	Primarily due to lower commodity costs.
Gas Supply Expenses	25	27	2	
Purchased Power	6	4	(2)	
Other Electric Cost	14	16	2	
Total Cost of Sales	117	125	9	
Gross Margin:				
Electric Margin	157	157	0	
Gas Margin	22	22	0	
Total Gross Margin	179	179	0	
Operating Expenses:				
O&M	57	54	(3)	
Depreciation & Amortization	29	30	1	
Taxes, Other than Income	5	5	0	
Total Operating Expenses	91	90	(2)	
Other income (expense)	(1)	(1)	0	
EBIT	87	89	(1)	
Interest Expense	19	18	(1)	
Income from Ongoing Operations before income taxes	68	70	(2)	
Income Tax Expense	25	27	2	
Net Income (loss) from ongoing operations	43	44	\$ (0)	
Discontinued Operations	0	(0)	0	
Net Income (loss)	\$ 43	\$ 44	\$ (0)	
KY Regulated Financing Costs	(3)	(3)	(0)	
KY Regulated Net Income	\$ 41	\$ 41	\$ (0)	
Earnings Per Share - Ongoing	\$ 0.06	\$ 0.06	\$ (0.00)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated

December 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 2,849	\$ 3,011	\$ (162)	Due to lower volumes driven by unfavorable weather, ECR revenue and lower FAC revenue from lower fuel costs (see below).
Gas Revenues	295	330	(35)	See Gas Supply Expenses explanation below.
Total Revenues	3,145	3,342	(197)	
Cost of Sales:				
Fuel Electric Costs	794	901	108	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	125	155	31	Due to lower gas usage (mild weather) and prices as well as lower net purchases.
Purchased Power	57	58	1	
Other Electric Cost	160	182	22	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	1,136	1,296	161	
Gross Margin:				
Electric Margin	1,838	1,870	(32)	Lower margins primarily due to lower sales volumes resulting in lower retail electric base energy and demand revenue of \$30 million and \$6 million lower retail rate mechanism revenue. This was partially offset by \$5 million lower production costs and other margin components.
Gas Margin	171	175	(4)	
Total Gross Margin	2,009	2,045	(37)	
Operating Expenses:				
O&M	695	731	37	Lower O&M primarily due to lower labor and burden costs along with savings in plant maintenance, storm restoration, vegetation management, uncollectible accounts and outside services.
Depreciation & Amortization	348	359	10	Lower depreciation primarily due to project completion and spending updates as well as higher level of retirements this year.
Taxes, Other than Income	57	56	(0)	
Total Operating Expenses	1,100	1,146	47	
Other income (expense)	(11)	(7)	(4)	
EBIT	898	892	6	
Interest Expense	214	217	3	
Income from Ongoing Operations before income taxes	685	675	10	
Income Tax Expense	257	257	1	
Net Income (loss) from ongoing operations	428	417	\$ 11	
Discontinued Operations	0	(0)	1	
Net Income (loss)	\$ 428	\$ 417	\$ 11	
KY Regulated Financing Costs	(30)	(30)	(0)	
KY Regulated Net Income	\$ 398	\$ 387	\$ 11	
Earnings Per Share - Ongoing	\$ 0.58	\$ 0.57	\$ 0.01	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LG&E
December 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,139	\$ 1,178	\$ (39)	Due to lower ECR revenue and lower FAC revenue from lower fuel costs (see below).
Gas Revenues	295	330	(35)	See Gas Supply Expenses explanation below.
Total Revenues	1,434	1,508	(74)	
Cost of Sales:				
Fuel Electric Costs	306	331	25	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	125	155	31	Due to lower gas usage (mild weather) and prices
Purchased Power	54	60	6	Lower purchased power due to lower commodity prices.
Other Electric Cost	62	74	12	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	547	621	74	
Gross Margin:				
Electric Margin	716	712	4	
Gas Margin	171	175	(4)	
Total Gross Margin	887	887	(0)	
Operating Expenses:				
O&M	312	332	19	Lower O&M primarily due to timing of plant maintenance and outages, vegetation management, storm restoration and labor and burden savings.
Depreciation & Amortization	141	146	5	Lower depreciation primarily due to project completion and spending updates as well as higher level of retirements this year.
Taxes, Other than Income	28	28	(0)	
Total Operating Expenses	481	505	24	
Other income (expense)	(6)	(2)	(3)	
EBIT	400	380	20	
Interest Expense	71	71	(0)	
Income from Ongoing Operations before income taxes	329	309	20	
Income Tax Expense	126	118	(7)	Due to higher pre-tax income.
Net Income (loss) from ongoing operations	203	191	\$ 13	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - KU
December 2016

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 1,749	\$ 1,892	\$ (143)	Due to lower volumes driven by unfavorable weather, lower ECR revenue and lower FAC revenue from lower fuel costs (see below).
Gas Revenues	-	-	-	
Total Revenues	1,749	1,892	(143)	
Cost of Sales:				
Fuel Electric Costs	491	575	83	Primarily due to lower commodity costs and decreased generation as a result of mild weather.
Gas Supply Expenses	-	-	-	
Purchased Power	38	51	13	Lower purchased power due to lower commodity prices.
Other Electric Cost	98	108	10	Due to lower coal generation and lower ECR consumables expense and scrubber reactant expense.
Total Cost of Sales	628	734	106	
Gross Margin:				
Electric Margin	1,122	1,158	(36)	Primarily related to lower Electric Revenues. See explanation above.
Gas Margin	-	-	-	
Total Gross Margin	1,122	1,158	(36)	
Operating Expenses:				
O&M	357	379	22	Lower O&M primarily due to timing of plant maintenance, lower storm restoration, vegetation management and outside services along with labor and burden savings.
Depreciation & Amortization	207	212	5	
Taxes, Other than Income	28	28	0	Lower depreciation primarily due to project completion and spending updates as well as higher level of retirements this year.
Total Operating Expenses	593	620	27	
Other income (expense)	(4)	(4)	(1)	
EBIT	524	534	(10)	
Interest Expense	96	98	2	
Income from Ongoing Operations before income taxes	429	436	(8)	
Income Tax Expense	163	166	3	
Net Income (loss) from ongoing operations	265	270	\$ (5)	

Note: Schedules may not sum due to rounding.

LKE Electric Margin

	Actual	Budget	Variance
Base Energy	88	86	3 ▲
Demand	42	44	(2) ▼
Base Service Charge	14	14	0 ▲
Rate Mechanisms	15	17	(2) ▼
Other Rev/Cost of Sales	(0)	(1)	1 ▲
Other Margin Items	(2)	(2)	0 ▲
	157	157	0 ▲

LG&E Electric Margin

	Actual	Budget	Variance
Base Energy	32	31	1 ▲
Demand	14	14	0 ▲
Base Service Charge	6	6	(0) ▼
Rate Mechanisms	7	8	(1) ▼
Other Rev/Cost of Sales	0	(0)	0 ▲
Other Margin Items	(2)	(2)	(0) ▼
	57	56	1 ▲

KU Electric Margin

	Actual	Budget	Variance
Base Energy	57	55	2 ▲
Demand	28	30	(2) ▼
Base Service Charge	8	8	0 ▲
Rate Mechanisms	7	8	(1) ▼
Other Rev/Cost of Sales	(0)	(0)	0 ▲
Other Margin Items	0	(0)	0 ▲
	100	101	(1) ▼

LKE Base Energy Price/Vol Variance

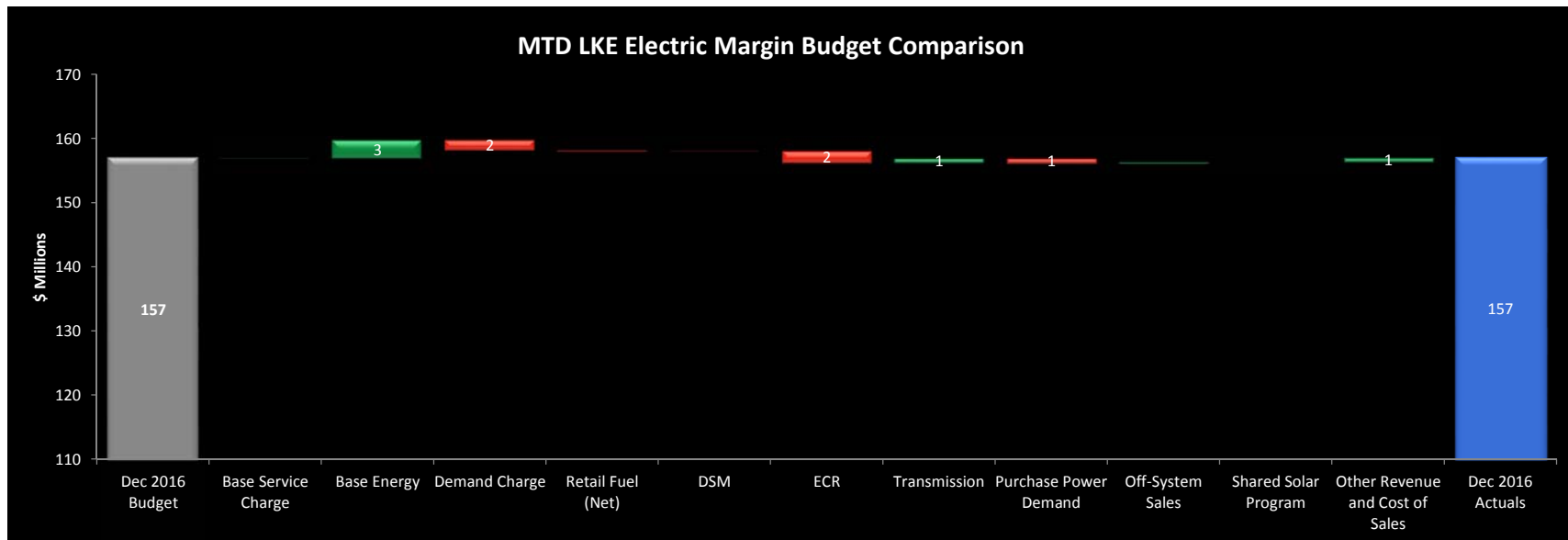
	Volume	Price	Total Variance
Residential	4	1	5
Commercial	(0)	(1)	(1)
Industrial	(1)	0	(1)
Public Authority	(0)	0	(0)
Street Lights	(0)	0	0
Municipals	0	(0)	(0)
Other	0	0	0
	3	0	3

LG&E Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	1	0	1
Commercial	0	(0)	(0)
Industrial	(0)	0	(0)
Public Authority	(0)	0	0
Street Lights	0	0	0
Municipals	0	0	0
Other	0	0	0
	1	0	1

KU Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	3	0	3
Commercial	(0)	(0)	(1)
Industrial	(0)	0	(0)
Public Authority	(0)	(0)	(0)
Street Lights	(0)	0	0
Municipals	0	(0)	(0)
Other	0	0	0
	2	(0)	2



Note: For additional detailed information, please refer to the monthly Margin results files per Revenue Accounting & Analysis Department.

LKE Electric Margin

	Actual	Budget	Variance
Base Energy	963	978	(15) ▼
Demand	543	559	(15) ▼
Base Service Charge	165	165	(0) ▼
Rate Mechanisms	190	197	(6) ▼
Other Rev/Cost of Sales	(4)	(7)	3 ▲
Other Margin Items	(20)	(21)	2 ▲
Total	1838	1870	(32) ▼

LG&E Electric Margin

	Actual	Budget	Variance
Base Energy	392	391	1 ▲
Demand	180	178	1 ▲
Base Service Charge	67	68	(1) ▼
Rate Mechanisms	98	100	(2) ▼
Other Rev/Cost of Sales	(0)	(2)	2 ▲
Other Margin Items	(20)	(22)	2 ▲
Total	716	712	4 ▲

KU Electric Margin

	Actual	Budget	Variance
Base Energy	571	587	(16) ▼
Demand	364	380	(17) ▼
Base Service Charge	98	97	0 ▲
Rate Mechanisms	92	97	(4) ▼
Other Rev/Cost of Sales	(4)	(5)	1 ▲
Other Margin Items	1	1	(0) ▼
Total	1122	1158	(36) ▼

LKE Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(11)	6	(5)
Commercial	6	(10)	(4)
Industrial	(6)	2	(3)
Public Authority	1	(1)	0
Street Lights	(2)	2	0
Municipals	(0)	(3)	(3)
Other	0	0	0
Total	(12)	(3)	(15)

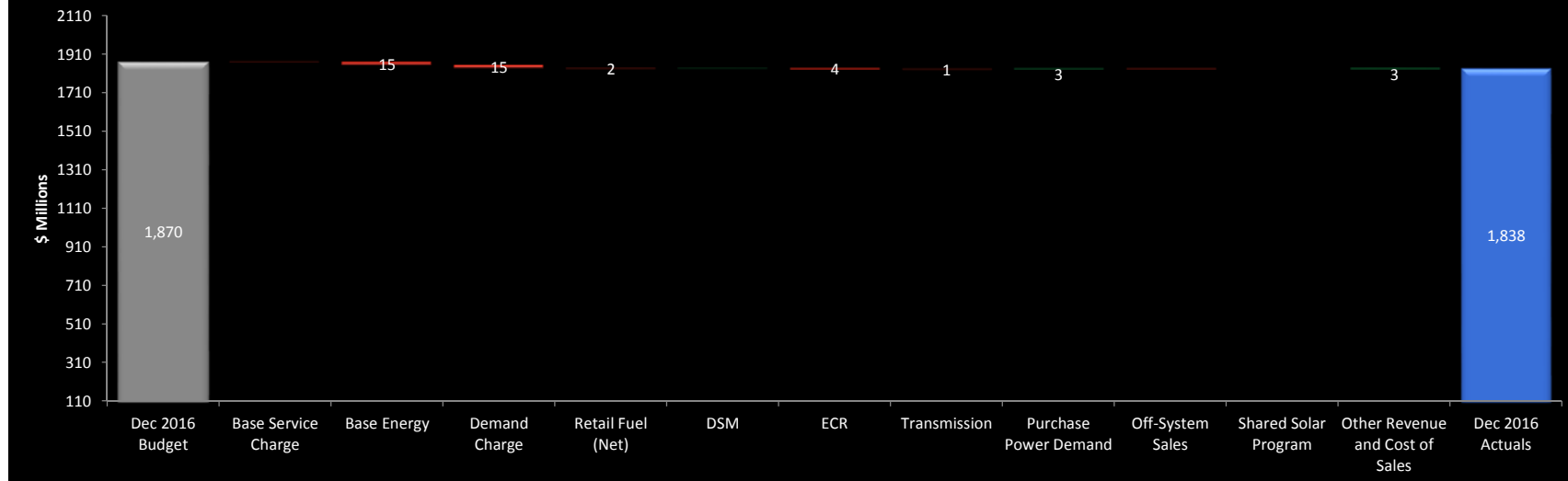
LG&E Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(2)	3	0
Commercial	7	(6)	1
Industrial	(3)	1	(2)
Public Authority	1	0	1
Street Lights	0	(0)	0
Municipals	0	0	0
Other	0	0	0
Total	3	(1)	1

KU Base Energy Price/Vol Variance

	Volume	Price	Total Variance
Residential	(9)	4	(5)
Commercial	(1)	(4)	(5)
Industrial	(3)	1	(2)
Public Authority	(0)	(1)	(1)
Street Lights	(2)	2	(0)
Municipals	(0)	(3)	(3)
Other	0	0	0
Total	(15)	(1)	(16)

YTD LKE Electric Margin Budget Comparison



Note: For additional detailed information, please refer to the monthly Margin results files per Revenue Accounting & Analysis Department.

Gas Gross Margin

December 2016

(\$ Millions)

	MTD				YTD			
	Actual	Budget	Subtotal	Margin Variance	Actual	Budget	Subtotal	Margin Variance
Gas Base Service Charge	\$ 5	\$ 5		0	\$ 62	\$ 62		(0)
Gas Supply Costs								
Gas Supply Costs	(24)	(25)	2		(113)	(142)	29	
GSC Revenue	24	25	(1)		115	142	(28)	
Net Gas Supply Costs				1				1
Retail Gas (a)	15	15		(0)	85	96		(10)
DSM	0	0		(0)	0	1		(1)
GLT	1	1		0	15	15		1
WNA	(0)	-		(0)	5	-		5
Other Margin	0	0		(0)	1	2		(0)
Gas Margin Variance				0				(4)

(a) Retail and wholesale gas sales - excludes GSC

	MTD								
	Actual			Budget			Variance		
	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume \$mil	Price \$mil
Residential	\$ 10	3,602,104	\$ 2.87	\$ 10	3,649,287	\$ 2.87	(\$0.1)	(\$0.1)	(\$0.0)
Commercial	3	1,532,492	2.15	3	1,404,543	2.14	\$0.3	\$0.3	\$0.0
Industrial	0	165,370	2.22	0	198,224	2.20	(\$0.1)	(\$0.1)	\$0.0
Public Authority	0	208,456	2.12	0	220,240	2.11	(\$0.0)	(\$0.0)	\$0.0
Transportation	1	1,486,680	0.52	1	1,558,556	0.48	\$0.0	(\$0.0)	\$0.1
Interdepartmental	0	41,898	4.78	0	12,722	23.42	(\$0.1)	\$0.7	(\$0.8)
Ultimate Consumer	\$ 15	7,037,000	\$ 2.19	\$ 15	7,043,572	\$ 2.19	(\$0.0)	\$0.7	(\$0.7)

	YTD								
	Actual			Budget			Variance		
	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume (Mcf)	Price (\$/Mcf)	Revenue \$mil	Volume \$mil	Price \$mil
Residential	\$ 52	18,156,424	\$ 2.87	\$ 60	20,950,296	\$ 2.87	(\$8)	(8)	(0)
Commercial	18	8,485,621	2.10	19	8,953,763	2.13	(\$1)	(1)	(0)
Industrial	3	1,247,075	2.01	3	1,525,714	2.13	(\$1)	(1)	(0)
Public Authority	2	1,150,393	2.05	3	1,432,975	2.07	(\$1)	(1)	(0)
Transportation	7	13,891,238	0.51	6	12,959,706	0.50	\$1	\$0	\$0
Interdepartmental	4	354,052	9.91	4	1,222,879	2.97	(\$0)	(\$3)	\$2
Ultimate Consumer	\$ 85	43,284,803	\$ 1.97	\$ 96	47,045,332	\$ 2.03	(\$10)	(\$12)	\$2

(\$ Millions)

	MTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	15	13	(1)	0	0	(1)	0	(0)
Project Engineering	0	0	0	0	-	(0)	(0)	0
Transmission	3	2	(0)	(0)	(0)	(0)	0	0
Energy Supply and Analysis	1	1	(0)	(0)	-	0	0	(0)
Generation Services	1	1	0	(0)	(0)	0	(0)	0
Electric Distribution	5	6	0	(0)	1	(1)	(0)	(0)
Gas Distribution	3	3	(0)	(0)	(0)	(0)	(0)	0
Safety and Technical Training	0	0	0	(0)	(0)	0	0	0
Customer Services	7	7	0	(0)	0	0	(0)	1
Chief Operations Officer	35	33	(2)	(1)	1	(2)	(0)	0
General Counsel	3	3	(1)	(0)	0	(1)	(0)	0
Human Resources	1	1	0	0	(0)	(0)	0	0
General Counsel & HR	4	3	(1)	(0)	0	(1)	(0)	0
Audit Services	0	0	0	0	-	(0)	(0)	0
Controller	1	1	(0)	(0)	-	(0)	0	0
Supply Chain	0	0	(0)	(0)	(0)	0	0	(0)
Treasurer	1	1	0	(0)	-	(0)	(0)	0
State Regulation and Rates	0	0	(0)	(0)	-	0	(0)	(0)
Chief Financial Officer	3	2	(0)	(0)	(0)	(0)	(0)	0
Information Technology	5	5	0	0	0	0	(0)	(0)
Corporate	11	11	(1)	0	(0)	0	0	(1)
O&M Total MTD	57	54	(3)	(1)	1	(3)	(0)	(0)

	YTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	197	206	9	3	(3)	2	12	(5)
Project Engineering	0	1	0	0	(0)	(0)	(0)	0
Transmission	29	30	1	0	0	(0)	0	1
Energy Supply and Analysis	8	9	0	0	(0)	0	0	0
Generation Services	14	15	1	0	(0)	1	(0)	1
Electric Distribution	68	73	4	(1)	7	(3)	(0)	1
Gas Distribution	33	34	0	1	(1)	0	0	0
Safety and Technical Training	5	5	0	(0)	(0)	0	0	0
Customer Services	82	87	5	1	0	1	0	3
Chief Operations Officer	437	459	22	5	3	1	12	1
General Counsel	29	32	2	0	0	0	0	2
Human Resources	6	7	1	0	(0)	0	0	0
General Counsel & HR	36	39	3	0	0	0	0	2
Audit Services	2	2	0	0	-	(0)	0	0
Controller	10	10	0	(0)	-	(0)	0	0
Supply Chain	4	4	(0)	(0)	(0)	0	0	(0)
Treasurer	11	11	0	(0)	-	(0)	(0)	1
State Regulation and Rates	4	3	(0)	(0)	-	0	(0)	0
Chief Financial Officer	30	30	0	(1)	(0)	(0)	(0)	1
Information Technology	55	60	5	3	(0)	1	0	0
Corporate	138	144	6	6	(3)	3	(1)	1
O&M Total YTD	695	731	37	13	1	5	12	6

Note: Schedules may not sum due to rounding.

Attachment to Filing Requirement

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Blake

Financing Activities
December 2016

(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 923.9	\$ 923.8	\$ (0.1)
End Bal	898.8	923.8	25.0
Ave Bal	\$ 911.3	\$ 923.8	\$ 12.5
Interest Exp	\$ 12.9	\$ 13.9	\$ 1.0
Rate	1.40%	1.48%	0.08%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,210.0	\$ 4,210.0	\$ -
End Bal	4,210.0	4,210.0	-
Ave Bal	\$ 4,210.0	\$ 4,210.0	\$ -
Interest Exp	\$ 177.2	\$ 177.2	\$ (0.0)
Rate	4.14%	4.14%	0.00%
Short-term Debt			
Beg Bal	\$ 318.9	\$ 353.7	\$ 34.8
End Bal	348.1	347.7	(0.4)
Ave Bal	\$ 333.5	\$ 350.7	\$ 17.2
Interest Exp	\$ 3.9	\$ 4.8	\$ 0.8
Rate	1.15%	1.33%	0.18%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (46.3)	\$ (40.3)	\$ 6.0
End Bal	(44.0)	(39.6)	4.4
Ave Bal	\$ (45.2)	\$ (40.0)	\$ 5.2
Total End Bal	\$ 5,412.9	\$ 5,441.9	\$ 29.0
Total Average Bal	\$ 5,409.7	\$ 5,444.5	\$ 34.9
Total Expense Excl I/C ⁽¹⁾	\$ 213.8	\$ 217.2	\$ 3.4
Rate	3.86%	3.89%	0.04%

⁽¹⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity
	Capacity	Borrowed ⁽²⁾		
LKE	\$ 300	\$ 163		\$ 137
LG&E	500	169		331
KU	598	16	\$ 198	384
TOTAL	\$ 1,398	\$ 348	\$ 198	\$ 852

⁽²⁾ LG&E and KU borrowed amounts represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾ Moody's	LKE 2016		LG&E 2016		KU 2016	
	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	20%	19%	28%	27%	26%	27%
CFO pre-WC + Interest / Interest	6.0	5.7	8.0	8.0	7.3	7.6
CFO pre-WC - Dividends / Debt	15%	15%	25%	25%	16%	17%
Debt to Capitalization ⁽²⁾	47%	47%	38%	39%	38%	38%

Credit Metrics Moody's	LKE 2016 BP		LG&E 2016 BP		KU 2016 BP	
	2017	2018	2017	2018	2017	2018
CFO pre-WC / Debt	19%	20%	28%	29%	28%	26%
CFO pre-WC + Interest / Interest	5.8	5.7	7.9	7.8	7.7	7.2
CFO pre-WC - Dividends / Debt	12%	12%	20%	20%	19%	19%
Debt to Capitalization ⁽²⁾	45%	45%	38%	37%	37%	37%

⁽¹⁾ Actuals represent a trailing 12 months.

⁽²⁾ For LG&E and KU this excludes purchase accounting adjustments and corresponding goodwill.

Financial Strength Factor (40% Weighting) -- Low Business Risk Grid

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	19% - 27%	11% - 19%	5% - 11%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	15% - 23%	7% - 15%	0% - 7%
Debt / Capitalization	7.5%	40% - 50%	50% - 59%	59% - 67%

As of December 31, 2015	Senior Unsecured	Senior Secured	Commercial Paper
	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Balance Sheet - LKE Consolidated

December 2016

(\$ Millions)

	12/31/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 13	\$ 14	\$ (1)	
Accounts Receivable (Trade)	409	399	10	
Inventory	297	279	18	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	20	67	(47)	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates, decrease in the FAC balance due to lower costs of native fuel expense and decrease in the Muni True-Up due to lower tariff rates used in the budget.
Prepayments and other current assets	40	38	2	
Total Current Assets	779	797	(18)	
Property, Plant, and Equipment	11,598	11,842	(243)	
Intangible Assets	95	103	(9)	
Other Property and Investments	1	1	(0)	
Regulatory Assets Non Current	824	755	69	
Goodwill	997	997	-	
Other Long-term Assets	77	85	(9)	
Total Assets	\$ 14,371	\$ 14,581	\$ (210)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 257	\$ 276	\$ (19)	
Dividends Payable to Affiliated Companies	-	-	-	
Customer Deposits	56	52	4	
Derivative Liability	4	5	(1)	
Accrued Taxes	39	55	(16)	Decrease is primarily due to the timing of income tax accruals versus settlements in actuals. \$20m is due to difference between 2016 settlements and provision, the budget assumes accrual matches settlements. \$(21)m is due to audit settlements, including NOL true-ups. \$(17)m is due to difference in 2015 extension/final settlements made in 2016. The remaining \$2m is timing of property tax payments and accruals.
Regulatory Liabilities Current	18	29	(11)	Primarily due to lower balances related to GSC and FAC.
Other Current Liabilities	212	210	2	
Total Current Liabilities	586	627	(41)	
Debt - Affiliated Company	563	400	163	Increase in affiliate debt due to payoff of \$75m credit facility and other funding needs. Budget assumed pay down of affiliate debt balance in March 2016 and quarterly pay off of any cash needed for operations on non quarter months. The forecast does not assume any pay off of the short term debt with affiliate.
Debt ⁽¹⁾	4,850	5,042	(192)	
Total Debt	5,413	5,442	(29)	
Deferred Tax Liabilities	1,735	1,700	35	
Investment Tax Credit	132	125	8	
Accum Provision for Pension & Related Benefits	350	270	80	
Asset Retirement Obligation	373	508	(135)	Primarily due to ARO revaluation, reclassification of a portion of ARO liability from long-term to current and RWIP expenditures.
Regulatory Liabilities Non Current	899	846	53	
Derivative Liability	27	42	(15)	Due to change market interest rates and termination of interest rate swap in December 2016.
Other Liabilities	190	192	(2)	
Total Deferred Credits and Other Liabilities	3,706	3,682	24	
Equity	4,667	4,830	(164)	
Total Liabilities and Equity	\$ 14,371	\$ 14,581	\$ (210)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

Balance Sheet - LG&E

December 2016

(\$ Millions)

	12/31/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 5	\$ 5	\$ (0)	
Accounts Receivable (Trade)	186	178	8	
Inventory	143	136	8	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	9	25	(15)	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates.
Prepayments and other current assets	49	33	16	Primarily due to increase in accounts receivable from affiliate company for higher capital expenditures and fuel.
Total Current Assets	392	376	16	
Property, Plant, and Equipment	4,993	5,099	(106)	
Intangible Assets	6	9	(3)	
Other Property and Investments	1	1	-	
Regulatory Assets Non Current	449	418	31	
Goodwill	-	-	-	
Other Long-term Assets	17	20	(3)	
Total Assets	\$ 5,857	\$ 5,922	\$ (65)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 174	\$ 190	\$ (16)	
Dividends Payable to Affiliated Companies	-	-	-	
Customer Deposits	27	25	1	
Derivative Liability	4	5	(1)	
Accrued Taxes	40	28	12	Increase is primarily due to the timing of income tax accruals versus settlements in actuals. \$41m is due to difference between 2016 settlements and provision, the budget assumes accrual matches settlements. \$(23)m is due to audit settlements, including NOL true-ups. \$(5)m is due to difference in 2015 extension/final settlements made in 2016. The remaining \$(1)m is timing of property tax payments.
Regulatory Liabilities Current	5	13	(7)	
Other Current Liabilities	87	73	15	Primarily due to reclassification of ARO liability from long-term to current.
Total Current Liabilities	338	334	3	
Debt - Affiliated Company	-	-	-	
Debt ⁽¹⁾	1,786	1,844	(57)	
Total Debt	1,786	1,844	(57)	
Deferred Tax Liabilities	974	955	19	
Investment Tax Credit	36	33	3	
Accum Provision for Pension & Related Benefits	53	38	15	
Asset Retirement Obligation	104	155	(51)	Primarily due to ARO revaluation, reclassification of a portion of ARO liability from long-term to current and RWIP expenditures.
Regulatory Liabilities Non Current	366	339	27	
Derivative Liability	27	42	(15)	Due to change market interest rates and termination of interest rate swap in December 2016.
Other Liabilities	87	88	(1)	
Total Deferred Credits and Other Liabilities	1,647	1,651	(4)	
Equity	2,086	2,093	(7)	
Total Liabilities and Equity	\$ 5,857	\$ 5,922	\$ (65)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.

Balance Sheet - KU

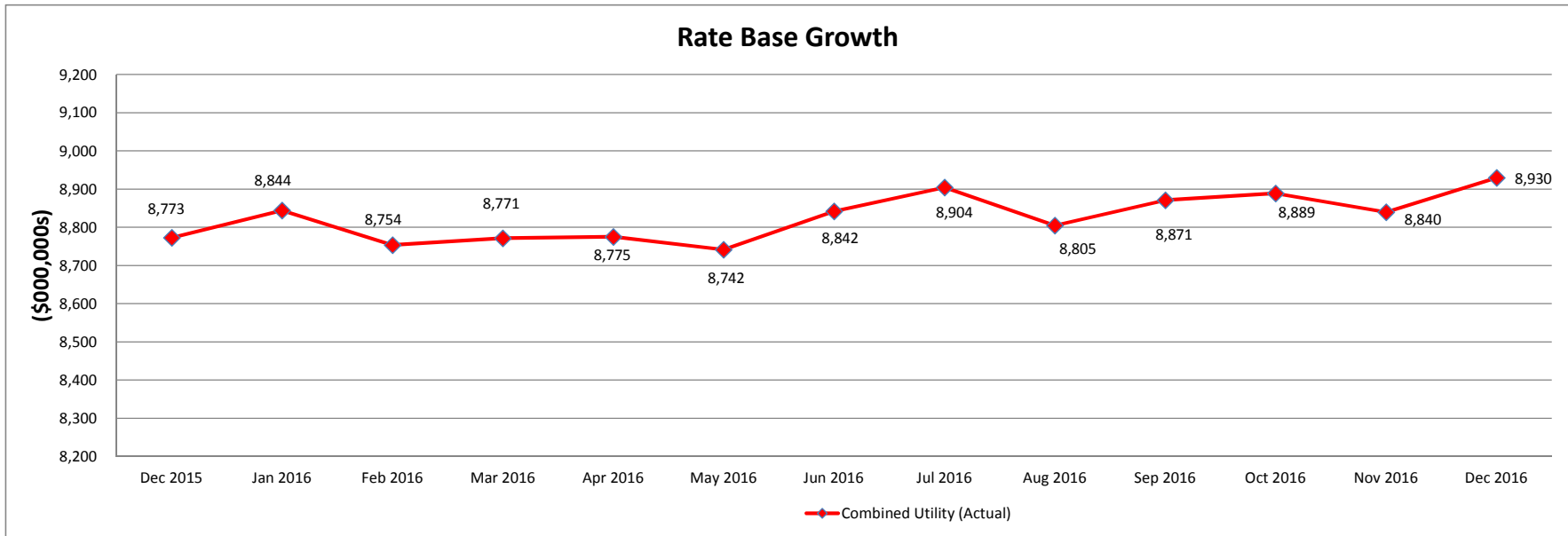
December 2016

(\$ Millions)

	12/31/2016	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 7	\$ 5	\$ 2	Primarily due to a decrease in the balance related to ECR as a result of an ECR roll-in to base rates, decrease in the FAC balance due to lower costs of native fuel expense and decrease in the Muni True-Up due to lower tariff rates used in the budget.
Accounts Receivable (Trade)	222	220	3	
Inventory	154	144	11	
Deferred Income Taxes	-	-	-	
Regulatory Assets Current	10	42	(32)	
Prepayments and other current assets	18	18	0	
Total Current Assets	413	429	(16)	
Property, Plant, and Equipment	6,597	6,735	(137)	
Intangible Assets	13	16	(4)	
Other Property and Investments	0	0	-	
Regulatory Assets Non Current	372	335	37	
Goodwill	-	-	-	
Other Long-term Assets	57	57	1	
Total Assets	\$ 7,453	\$ 7,572	\$ (119)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 134	\$ 132	\$ 2	Increase is primarily due to the timing of income tax accruals versus settlements in actuals. \$29m is due to audit settlements, including NOL true-ups. \$(12)m is due to difference in 2015 extension/final settlements made in 2016. The remaining \$3m is timing of property tax payments and accruals.
Dividends Payable to Affiliated Companies	-	-	-	
Customer Deposits	29	26	3	
Derivative Liability	-	-	-	
Accrued Taxes	45	26	20	
Regulatory Liabilities Current	13	16	(3)	
Other Current Liabilities	71	81	(11)	
Total Current Liabilities	292	281	11	
Debt - Affiliated Company	-	-	-	
Debt ⁽¹⁾	2,341	2,397	(56)	
Total Debt	2,341	2,397	(56)	
Deferred Tax Liabilities	1,170	1,208	(38)	Primarily due to ARO revaluation.
Investment Tax Credit	96	91	5	
Accum Provision for Pension & Related Benefits	62	38	24	
Asset Retirement Obligation	269	353	(84)	
Regulatory Liabilities Non Current	457	429	28	
Derivative Liability	-	-	-	
Other Liabilities	50	54	(4)	
Total Deferred Credits and Other Liabilities	2,104	2,173	(69)	
Equity	2,717	2,721	(4)	
Total Liabilities and Equity	\$ 7,453	\$ 7,572	\$ (119)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.



KU and LG&E Combined
 Reconciliation of Allowed Return to
 Net Income Last Rate Case Regulatory Return
 and ROE from Ongoing Operations

Allowed Return (1)	10.0%	
Adjustments (net tax):		
Change in capitalization - non mechanism	-0.1%	Growth in capitalization (rate base) between rate cases does not earn a return
Change in ROE from average mechanism rate base growth	0.0%	Mechanisms have a real-time return
Change in weighted cost of debt	-0.1%	Higher interest rates
Change in margins	-0.5%	Lower sales
Change in allowed expenses	0.7%	Lower depreciation expense
	0.0%	
Actual Regulated ROE	10.1%	

(1) Based on the most recent base rate filings with test years ending 6/30/16 KPSC, 12/31/15 FERC, 12/31/14 VA.



Performance Report

January 2017

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	Current Month		Full Year	
	Actual	PY	Forecast	PY
Safety				
TCIR - Employees ⁽¹⁾	0.46	0.90	1.35	1.12
Employee lost-time incidents	0	0	8	5
Reliability				
Generation Volumes	2,917	3,213	34,129	34,425
Utility EFOR	2.8%	5.5%	N/A	5.5%
Utility EAF	85.1%	92.5%	N/A	85.2%
Steam Fleet Commercial Availability	94.3%	93.0%	N/A	93.0%
Combined SAIFI	0.08	0.09	N/A	1.03
Combined SAIDI (minutes)	6.11	7.81	N/A	93.20
GwH Sales				
Residential	1,040	1,174	10,533	10,668
Commercial	657	678	7,860	7,882
Industrial	712	786	9,631	9,706
Municipals	158	175	1,828	1,846
Other	226	236	2,744	2,753
Off-System Sales	71	21	294	244
Total	2,864	3,070	32,890	33,098
Weather-Normalized Sales Growth				
	TTM			
Residential	-1.15%			
Commercial	3.95%			
Industrial	-3.47%			
Municipal	0.22%			
Other	0.89%			
Total	-0.38%			

	Current Month		Full Year	
	Actual	Budget	Forecast	Budget
Margins (\$ millions)				
Electric Margins	\$160	\$171	\$1,936	\$1,948
Gas Margins	\$24	\$25	\$181	\$183
Capital Expenditures (\$ millions)				
Total	\$46	\$52	\$1,107	\$1,107
O&M (\$ millions)⁽²⁾				
Total	\$55	\$56	\$749	\$749
Head Count				
Full-time Employees	3,516	3,605	3,591	3,591
Other Metrics				
Environmental Events	1	0	N/A	3
NERC Possible Violations ⁽³⁾	1	0	N/A	5

	TTM	Full Year	
	Actual	Forecast	Budget
Financial Metrics			
ROE ⁽⁴⁾	9.8%	9.8%	9.8%

Variance Explanations
<ul style="list-style-type: none"> Lower margins primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue of \$12 million.

Major Developments
<ul style="list-style-type: none"> In both Louisville and Lexington, January 2017 ranked as the second warmest in the past 20 years. The month of February has also begun with a similar weather pattern and mild temperatures. Retail load continues to be impacted by these conditions. LKE employees' continued focus on the customer experience has led to another J.D. Power award. LG&E was named the top-ranking utility in the Midwest segment in the newly released J.D. Power and Associates 2016 Calendar-Year Gas Business Customer Satisfaction Study. In the survey, the Company also was recognized as the top performer nationwide in the customer service category. Between LG&E and KU, the Utilities were the top-ranked utility within their respective segments in all four J.D. Power studies this past year. The Company filed over 3,400 responses to data requests (first round with intervenors) in its rate cases at the KPSC, and is addressing responses to 1,500 supplemental data requests which are due on February 20. The formal public hearing has also been scheduled to begin on May 2. Company representatives were joined by Lexington city and community leaders to unveil KU's new publicly available electric vehicle charging station. LKE has installed three charging stations in Louisville and two in Lexington. There are three additional stations planned for both the LG&E and KU service territories during 2017.

(1) Full year forecast amount shown represents target.
 (2) Net of cost recovery mechanisms.
 (3) The possible violation issues for YTD Actual is believed to be minimal risk.
 (4) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

Significant Future Events
<ul style="list-style-type: none"> Regarding the Kentucky rate cases, intervenor testimony will be filed March 3, and the Company's rebuttal testimony will be submitted April 14.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
January 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 251	\$ 268	\$ (17)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	48	54	(7)	Due primarily to lower sales volumes driven by mild weather.
Total Revenues	299	322	(24)	
Cost of Sales:				
Fuel Electric Costs	72	78	6	Primarily due to decreased generation as a result of mild weather.
Gas Supply Expenses	24	29	6	Due to lower gas usage (mild weather).
Purchased Power	5	5	(0)	
Other Electric Cost	14	14	0	
Total Cost of Sales	115	126	11	
Gross Margin:				
Electric Margin	160	171	(11)	Lower margins primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue.
Gas Margin	24	25	(1)	
Total Gross Margin	184	196	(12)	
Operating Expenses:				
O&M	55	56	2	
Depreciation & Amortization	30	30	0	
Taxes, Other than Income	5	5	0	
Total Operating Expenses	89	91	2	
Other income (expense)	(1)	(1)	(0)	
EBIT	94	104	(10)	
Interest Expense	18	18	0	
Income from Ongoing Operations before income taxes	76	86	(10)	
Income Tax Expense	29	33	4	
Net Income (loss) from ongoing operations	47	53	\$ (6)	
Discontinued Operations	(0)	(0)	0	
Net Income (loss)	\$ 47	\$ 53	\$ (6)	
KY Regulated Financing Costs	(3)	(3)	(0)	
KY Regulated Net Income	\$ 45	\$ 50	\$ (6)	
Earnings Per Share - Ongoing	\$ 0.07	\$ 0.07	\$ (0.01)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LG&E
January 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 98	\$ 99	\$ (1)	
Gas Revenues	48	54	(7)	Due primarily to lower sales volumes driven by mild weather.
Total Revenues	145	153	(8)	
Cost of Sales:				
Fuel Electric Costs	31	29	(2)	
Gas Supply Expenses	24	29	6	Due to lower gas usage (mild weather)
Purchased Power	4	4	0	
Other Electric Cost	5	6	0	
Total Cost of Sales	64	68	4	
Gross Margin:				
Electric Margin	57	60	(3)	
Gas Margin	24	25	(1)	
Total Gross Margin	81	85	(4)	
Operating Expenses:				
O&M	24	26	1	
Depreciation & Amortization	12	12	0	
Taxes, Other than Income	2	2	0	
Total Operating Expenses	39	40	2	
Other income (expense)	(1)	(0)	(0)	
EBIT	42	45	(3)	
Interest Expense	6	6	0	
Income from Ongoing Operations before income taxes	36	39	(3)	
Income Tax Expense	14	15	1	
Net Income (loss) from ongoing operations	22	24	\$ (2)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - KU
January 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 160	\$ 175	\$ (15)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	0	0	0	
Total Revenues	160	175	(15)	
Cost of Sales:				
Fuel Electric Costs	42	49	7	Primarily due to decreased generation as a result of mild weather.
Gas Supply Expenses	0	0	0	
Purchased Power	7	7	(0)	
Other Electric Cost	8	9	0	
Total Cost of Sales	58	64	7	
Gross Margin:				
Electric Margin	103	111	(8)	See explanation above
Gas Margin	0	0	0	
Total Gross Margin	103	111	(8)	
Operating Expenses:				
O&M	29	29	0	
Depreciation & Amortization	18	18	0	
Taxes, Other than Income	2	2	0	
Total Operating Expenses	49	50	1	
Other income (expense)	(1)	(1)	0	
EBIT	53	61	(8)	
Interest Expense	8	8	(0)	
Income from Ongoing Operations before income taxes	45	53	(8)	
Income Tax Expense	17	20	3	
Net Income (loss) from ongoing operations	28	32	(5)	

Note: Schedules may not sum due to rounding.

(\$ Millions)

	MTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	14	13	(1)	0	(0)	(0)	(0)	(0)
Project Engineering	0	0	0	0	0	0	0	0
Transmission	2	3	1	(0)	0	0	0	0
Energy Supply and Analysis	1	1	0	(0)	0	0	0	0
Generation Services	1	1	0	(0)	(0)	(0)	(0)	0
Electric Distribution	5	6	1	0	1	0	0	0
Gas Distribution and AMS2	3	3	0	0	0	(0)	0	(0)
Safety and Technical Training	0	0	(0)	(0)	(0)	0	(0)	0
Customer Services	7	8	1	0	0	0	0	0
Senior VP Operations	34	35	1	0	1	(0)	(0)	0
Audit Services	0	0	0	0	0	(0)	0	0
Controller	1	1	(0)	(0)	0	0	(0)	(0)
Supply Chain	0	0	0	0	0	0	(0)	0
Treasurer	2	2	(0)	(0)	0	0	(0)	0
State Regulation and Rates	0	0	(0)	(0)	0	0	(0)	0
Chief Financial Officer	4	4	(0)	(0)	0	0	(0)	0
General Counsel	2	2	0	0	0	0	(0)	0
Human Resources	1	1	0	0	0	(0)	(0)	0
Information Technology	4	5	0	0	(0)	0	0	0
Corporate	10	10	0	0	0	0	(0)	(0)
Enterprise Security	0	0	0	0	0	0	0	0
O&M Total MTD	55	56	2	1	1	0	(0)	0

Note: Schedules may not sum due to rounding.

Financing Activities
January 2017

(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 898.8	\$ 898.8	\$ 0.0
End Bal	898.8	898.8	0.0
Ave Bal	\$ 898.8	\$ 898.8	\$ 0.0
Interest Exp	\$ 1.1	\$ 1.0	\$ (0.1)
Rate	1.44%	1.33%	-0.11%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,210.0	\$ 4,210.0	\$ 0.0
End Bal	4,210.0	4,210.0	0.0
Ave Bal	\$ 4,210.0	\$ 4,210.0	\$ 0.0
Interest Exp	\$ 14.8	\$ 15.4	\$ 0.6
Rate	4.07%	4.24%	0.16%
Short-term Debt			
Beg Bal	\$ 348.1	\$ 509.7	\$ 161.6
End Bal	317.8	432.7	114.9
Ave Bal	\$ 332.9	\$ 471.2	\$ 138.3
Interest Exp	\$ 0.4	\$ 0.5	\$ 0.1
Rate	1.52%	1.28%	-0.24%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (44.0)	\$ (44.0)	\$ 0.0
End Bal	(43.7)	(42.8)	0.9
Ave Bal	\$ (43.8)	\$ (43.4)	\$ 0.5
Total End Bal	\$ 5,382.9	\$ 5,498.8	\$ 115.9
Total Average Bal	\$ 5,397.9	\$ 5,536.6	\$ 138.7
Total Expense Excl I/C ⁽¹⁾	\$ 17.7	\$ 17.8	\$ 0.1
Rate	3.77%	3.70%	-0.07%

⁽¹⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity
	Capacity	Borrowed ⁽²⁾		
LKE	\$ 300	\$ 137		\$ 163
LG&E	500	158		342
KU	598	23	\$ 198	377
TOTAL	\$ 1,398	\$ 318	\$ 198	\$ 882

⁽²⁾ LG&E and KU borrowed amounts represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾ Moody's	LKE 2017		LG&E 2017		KU 2017	
	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	20%	18%	27%	26%	25%	27%
CFO pre-WC + Interest / Interest	6.0	5.8	7.9	7.9	7.2	7.6
CFO pre-WC - Dividends / Debt	15%	15%	24%	25%	16%	18%
Debt to Capitalization ⁽²⁾	47%	48%	38%	38%	38%	38%

Credit Metrics Moody's	LKE 2017 BP		LG&E 2017 BP		KU 2017 BP	
	2018	2019	2018	2019	2018	2019
CFO pre-WC / Debt	18%	18%	27%	29%	26%	26%
CFO pre-WC + Interest / Interest	6.0	5.7	8.5	8.7	7.8	7.6
CFO pre-WC - Dividends / Debt	11%	15%	25%	22%	20%	18%
Debt to Capitalization ⁽²⁾	50%	49%	38%	36%	37%	37%

(1) Actuals represent a trailing 12 months.

(2) For LG&E and KU this excludes purchase accounting adjustments and corresponding goodwill.

Financial Strength Factor (40% Weighting) -- Low Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	19% - 27%	11% - 19%	5% - 11%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	15% - 23%	7% - 15%	0% - 7%
Debt / Capitalization	7.5%	40% - 50%	50% - 59%	59% - 67%

As of December 31, 2016	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Balance Sheet - LKE Consolidated

January 2017

(\$ Millions)

	1/31/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 14	\$ 16	\$ (2)	
Accounts Receivable (Trade)	429	451	(23)	
Inventory	285	271	13	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	20	19	1	
Prepayments and other current assets	43	40	4	
Total Current Assets	791	798	(7)	
Property, Plant, and Equipment	11,605	11,654	(49)	
Intangible Assets	94	96	(2)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	827	907	(80)	
Goodwill	997	997	0	
Other Long-term Assets	78	82	(4)	
Total Assets	\$ 14,393	\$ 14,534	\$ (141)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 214	\$ 224	\$ (10)	
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	56	55	1	
Derivative Liability	4	6	(2)	
Accrued Taxes	93	34	59	Increase is primarily due to the timing of property tax payments that were assumed to occur in Q4 2016 in the budget and accrual of 2016 extension settlement.
Regulatory Liabilities Current	14	24	(9)	
Other Current Liabilities	223	224	(1)	
Total Current Liabilities	605	566	39	
Debt - Affiliated Company	537	573	(36)	
Debt ⁽¹⁾	4,846	4,926	(80)	
Total Debt	5,383	5,499	(116)	
Deferred Tax Liabilities	1,735	1,735	(0)	
Investment Tax Credit	132	131	1	
Accum Provision for Pension & Related Benefits	335	411	(76)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	373	359	13	
Regulatory Liabilities Non Current	900	872	27	
Derivative Liability	26	33	(6)	Due to change in market interest rates and termination of interest rate swap in December 2016.
Other Liabilities	191	199	(8)	
Total Deferred Credits and Other Liabilities	3,691	3,740	(48)	
Equity	4,714	4,730	(16)	
Total Liabilities and Equity	\$ 14,393	\$ 14,534	\$ (141)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.
 Note: Schedules may not sum due to rounding.

Balance Sheet - LG&E

January 2017

(\$ Millions)

	1/31/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 5	\$ 5	\$ 0	
Accounts Receivable (Trade)	193	200	(7)	
Inventory	129	126	2	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	10	4	6	
Prepayments and other current assets	73	50	23	Primarily due to increase in accounts receivable from associated company related to federal income tax settlement.
Total Current Assets	409	386	23	
Property, Plant, and Equipment	5,001	5,037	(36)	
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	449	503	(53)	
Goodwill	0	0	0	
Other Long-term Assets	17	21	(4)	
Total Assets	\$ 5,883	\$ 5,953	\$ (70)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 147	\$ 153	\$ (6)	
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	27	26	1	
Derivative Liability	4	6	(2)	
Accrued Taxes	80	18	62	Increase is primarily due to the timing of property tax payments that were assumed to occur in Q4 2016 in the budget and accrual of 2016 extension settlement.
Regulatory Liabilities Current	3	5	(2)	
Other Current Liabilities	89	93	(4)	
Total Current Liabilities	350	302	48	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	1,776	1,831	(55)	
Total Debt	1,776	1,831	(55)	
Deferred Tax Liabilities	974	973	1	
Investment Tax Credit	36	36	(0)	
Accum Provision for Pension & Related Benefits	53	77	(24)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	103	99	4	
Regulatory Liabilities Non Current	367	358	9	
Derivative Liability	26	33	(6)	
Other Liabilities	88	92	(4)	
Total Deferred Credits and Other Liabilities	1,648	1,668	(20)	
Equity	2,109	2,152	(43)	
Total Liabilities and Equity	\$ 5,883	\$ 5,953	\$ (70)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.

Balance Sheet - KU

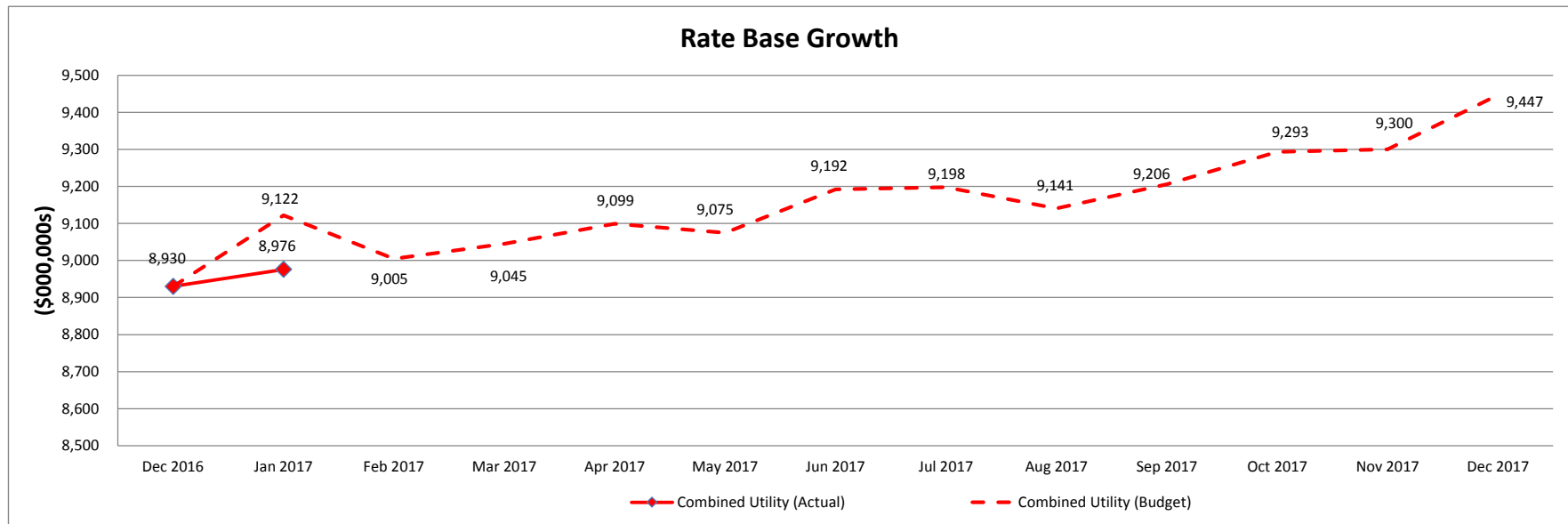
January 2017

(\$ Millions)

	1/31/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 9	\$ 5	\$ 3	
Accounts Receivable (Trade)	236	251	(15)	
Inventory	156	145	11	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	10	15	(4)	
Prepayments and other current assets	21	20	1	
Total Current Assets	432	436	(4)	
Property, Plant, and Equipment	6,596	6,608	(12)	
Intangible Assets	13	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	375	402	(27)	
Goodwill	0	0	0	
Other Long-term Assets	58	58	0	
Total Assets	\$ 7,474	\$ 7,516	\$ (43)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 143	\$ 115	\$ 29	Increase is primarily due to an increase in accounts payable to an associated company related to federal income tax settlement.
Dividends Payable to Affiliated Companies	0	0	0	
Customer Deposits	29	28	1	
Derivative Liability	0	0	0	
Accrued Taxes	36	23	13	Increase is primarily due to the timing of property tax payments that were assumed to occur in Q4 2016 in the budget.
Regulatory Liabilities Current	11	18	(7)	
Other Current Liabilities	74	76	(1)	
Total Current Liabilities	294	259	34	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,348	2,372	(25)	
Total Debt	2,348	2,372	(25)	
Deferred Tax Liabilities	1,170	1,206	(35)	
Investment Tax Credit	96	95	1	
Accum Provision for Pension & Related Benefits	45	67	(21)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	269	260	9	
Regulatory Liabilities Non Current	457	438	20	
Derivative Liability	0	0	0	
Other Liabilities	50	53	(3)	
Total Deferred Credits and Other Liabilities	2,088	2,118	(30)	
Equity	2,744	2,767	(22)	
Total Liabilities and Equity	\$ 7,474	\$ 7,516	\$ (43)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.





Performance Report

February 2017

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	Current Month		YTD		Full Year	
	Actual	PY	Actual	PY	Forecast	PY
Safety						
TCIR - Employees ⁽¹⁾	1.47	0.37	1.02	0.61	1.35	1.12
Employee lost-time incidents	2	0	2	0	10	5
Reliability						
Generation Volumes	2,382	2,838	5,299	6,051	33,673	34,425
Utility EFOR	7.1%	5.5%	4.8%	5.5%	N/A	5.5%
Utility EAF	84.1%	91.2%	85.4%	91.9%	N/A	85.2%
Steam Fleet Commercial Availability	89.5%	93.0%	91.9%	93.0%	N/A	93.0%
Combined SAIFI	0.04	0.06	0.12	0.15	N/A	1.03
Combined SAIDI (minutes)	3.41	4.89	9.52	12.70	N/A	93.20
GwH Sales						
Residential	708	962	1,748	2,136	10,280	10,668
Commercial	571	617	1,228	1,295	7,814	7,882
Industrial	691	734	1,403	1,521	9,588	9,706
Municipals	132	162	290	338	1,798	1,846
Other	205	217	431	452	2,732	2,753
Off-System Sales	7	24	78	45	274	244
Total	2,314	2,716	5,178	5,787	32,485	33,098
Weather-Normalized Sales Growth						
			ITM			
Residential			-1.23%			
Commercial			2.79%			
Industrial			-4.41%			
Municipal			-0.52%			
Other			-0.39%			
Total			-1.11%			

	Current Month		YTD		Full Year	
	Actual	Budget	Actual	Budget	Forecast	Budget
Margins (\$ millions)						
Electric Margins	\$138	\$156	\$299	\$327	\$1,912	\$1,948
Gas Margins	\$22	\$23	\$46	\$48	\$180	\$183
Capital Expenditures (\$ millions)						
Total	\$50	\$57	\$97	\$110	\$1,107	\$1,107
O&M (\$ millions)⁽²⁾						
Total	\$55	\$57	\$109	\$113	\$749	\$749
Head Count						
Full-time Employees	3,489	3,604	3,489	3,604	3,584	3,591
Other Metrics						
Environmental Events	1	0	2	0	N/A	3
NERC Possible Violations ⁽³⁾	0	0	1	0	N/A	5

	TTM	Full Year	
	Actual	Forecast	Budget
Financial Metrics			
ROE ⁽⁴⁾	9.7%	9.5%	9.8%

Variance Explanations
<ul style="list-style-type: none"> Lower current month margins primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue of \$19 million. Lower margins YTD primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue of \$31 million.

Major Developments
<ul style="list-style-type: none"> February 2017 represented the warmest February on record for both Louisville and Lexington. Louisville also reached 81 degrees on the 24th, setting a new all-time high for the month. Retail sales continue to be impacted by these conditions. LKE filed nearly 1,500 responses to supplemental data requests in the rate case proceeding and is currently analyzing intervenors' testimony from 34 different witnesses. The Company's rebuttal testimony will be submitted on April 14. After the Companies' 2011 ECR plans were approved by the KPSC, the Commission hired an external consultant to monitor and report on the construction progress for the approved projects. LKE filed its final quarterly report to the KPSC in January. The Company received a letter of acknowledgement from the KPSC noting that the approved projects achieved an outstanding safety record and were completed significantly under budget and on schedule. The KPSC also commended our efforts in keeping its consultant and the KPSC informed regarding the progress of the projects as well as the Company's professionalism during the review. Two of LKE's Research and Development projects have been honored by the Electric Power Research Institute ("EPRI"). The Company's electric vehicle charging station program was recognized with a "Technology Transfer" award for applying EPRI methods and standards in designing and deploying its charging stations. LKE also received a similar honor for its 10-megawatt universal solar facility at E.W. Brown Generating Station. The Trimble County Landfill Project received its permit from the Kentucky Division of Waste Management, the second of three key environmental regulatory approvals needed to begin construction of the landfill. The final permit is still being processed by the Corps of Engineers. The court dismissed PPL as a defendant and also dismissed the remaining federal law claim involving alleged operation of the Cane Run facility under an expired air permit. The court had previously dismissed the other federal law claims regarding dust emissions from the Cane Run power plant in 2014. The court has directed the parties to file briefs addressing whether the court should exercise supplemental jurisdiction to hear the state law claims remaining in the case.

Significant Future Events
<ul style="list-style-type: none"> Regarding the Kentucky rate cases, a formal public hearing is scheduled to begin on May 2.

(1) Full year forecast amount shown represents target.
 (2) Net of cost recovery mechanisms.
 (3) The possible violation issues for YTD Actual is believed to be minimal risk.
 (4) Excludes goodwill and other purchase accounting adjustments.

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (Month) - LKE Consolidated
February 2017

(\$ Millions)

	MTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 213	\$ 243	\$ (29)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	38	50	(12)	Due primarily to lower sales volumes driven by mild weather.
Total Revenues	251	292	(41)	
Cost of Sales:				
Fuel Electric Costs	58	69	11	Primarily due to decreased generation as a result of mild weather.
Gas Supply Expenses	16	27	11	Due to lower gas usage (mild weather).
Purchased Power	5	5	0	
Other Electric Cost	13	13	0	
Total Cost of Sales	91	113	23	
Gross Margin:				
Electric Margin	138	156	(18)	Lower margins primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue.
Gas Margin	22	23	(1)	
Total Gross Margin	160	179	(18)	
Operating Expenses:				
O&M	55	57	2	
Depreciation & Amortization	30	30	0	
Taxes, Other than Income	4	5	1	
Total Operating Expenses	89	92	3	
Equity in Earnings	0	0	0	
Other income (expense)	(1)	(1)	(0)	
EBIT	70	86	(16)	
Interest Expense	17	18	0	
Income from Ongoing Operations before income taxes	52	68	(16)	
Income Tax Expense	20	26	6	
Net Income (loss) from ongoing operations	32	42	(10)	
Discontinued Operations	(0)	(0)	0	
Net Income (loss)	\$ 32	\$ 42	\$ (10)	
KY Regulated Financing Costs	(2)	(2)	(0)	
KY Regulated Net Income	\$ 30	\$ 40	\$ (10)	
Earnings Per Share - Ongoing	\$ 0.04	\$ 0.06	\$ (0.01)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LKE Consolidated
February 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 465	\$ 510	\$ (46)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	85	104	(19)	Due primarily to lower sales volumes driven by mild weather.
Total Revenues	550	614	(65)	
Cost of Sales:				
Fuel Electric Costs	130	146	17	Primarily due to decreased generation as a result of mild weather.
Gas Supply Expenses	39	56	17	Due primarily to lower gas usage as a result of mild weather.
Purchased Power	10	10	0	
Other Electric Cost	27	27	0	
Total Cost of Sales	206	239	34	
Gross Margin:				
Electric Margin	299	327	(29)	Lower margins primarily due to lower sales volumes from warmer than average weather resulting in lower retail electric base energy and demand revenue.
Gas Margin	46	48	(2)	
Total Gross Margin	344	375	(31)	
Operating Expenses:				
O&M	110	113	3	
Depreciation & Amortization	59	60	1	
Taxes, Other than Income	9	10	1	
Total Operating Expenses	178	183	5	
Other income (expense)	(2)	(2)	(0)	
EBIT	164	190	(26)	
Interest Expense	35	35	0	
Income from Ongoing Operations before income taxes	128	154	(26)	
Income Tax Expense	49	59	11	
Net Income (loss) from ongoing operations	80	95	(15)	
Discontinued Operations	(0)	(0)	0	
Net Income (loss)	\$ 80	\$ 95	\$ (15)	
KY Regulated Financing Costs	(5)	(5)	(0)	
KY Regulated Net Income	\$ 75	\$ 90	\$ (15)	
Earnings Per Share - Ongoing	\$ 0.11	\$ 0.13	\$ (0.02)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - LG&E

February 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 182	\$ 189	\$ (7)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	85	104	(19)	Due primarily to lower sales volumes driven by mild weather.
Total Revenues	267	293	(26)	
Cost of Sales:				
Fuel Electric Costs	56	55	(1)	
Gas Supply Expenses	39	56	17	Due primarily to lower gas usage as a result of mild weather.
Purchased Power	7	8	1	
Other Electric Cost	11	11	0	
Total Cost of Sales	114	130	17	
Gross Margin:				
Electric Margin	108	115	(7)	See explanation above
Gas Margin	46	48	(2)	
Total Gross Margin	154	163	(9)	
Operating Expenses:				
O&M	48	51	3	
Depreciation & Amortization	24	24	0	
Taxes, Other than Income	5	5	0	
Total Operating Expenses	77	80	4	
Other income (expense)	(1)	(1)	(0)	
EBIT	76	82	(6)	
Interest Expense	11	12	0	
Income from Ongoing Operations before income taxes	65	70	(5)	
Income Tax Expense	25	27	2	
Net Income (loss) from ongoing operations	40	43	(3)	

Note: Schedules may not sum due to rounding.

Income Statement: Actual vs. Budget (YTD) - KU
February 2017

(\$ Millions)

	YTD			Comments
	Actual	Budget	Variance	
Revenues:				
Electric Revenues	\$ 296	\$ 334	\$ (38)	Due primarily to lower sales volumes driven by mild weather.
Gas Revenues	0	0	0	
Total Revenues	296	334	(38)	
Cost of Sales:				
Fuel Electric Costs	75	92	17	Primarily due to decreased generation as a result of mild weather.
Gas Supply Expenses	0	0	0	
Purchased Power	14	13	(1)	
Other Electric Cost	16	17	0	
Total Cost of Sales	105	122	17	
Gross Margin:				
Electric Margin	191	212	(22)	See explanation above
Gas Margin	0	0	0	
Total Gross Margin	191	212	(22)	
Operating Expenses:				
O&M	57	59	1	
Depreciation & Amortization	35	36	0	
Taxes, Other than Income	5	5	0	
Total Operating Expenses	97	99	2	
Other income (expense)	(1)	(1)	0	
EBIT	92	112	(20)	
Interest Expense	16	16	(0)	
Income from Ongoing Operations before income taxes	76	96	(20)	
Income Tax Expense	29	37	8	
Net Income (loss) from ongoing operations	47	59	(12)	

Note: Schedules may not sum due to rounding.

(\$ Millions)

	MTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	13	14	0	1	0	(0)	0	(0)
Project Engineering	0	0	0	0	0	(0)	(0)	0
Transmission	2	3	0	(0)	(0)	0	(0)	(0)
Energy Supply and Analysis	1	1	(0)	(0)	0	0	(0)	(0)
Generation Services	1	1	(0)	(0)	0	0	(0)	(0)
Electric Distribution	5	6	1	0	1	(0)	0	(0)
Gas Distribution and AMS2	3	3	(0)	(0)	(0)	0	0	(0)
Safety and Technical Training	1	1	(0)	(0)	(0)	(0)	0	(0)
Customer Services	7	8	1	(0)	0	(0)	0	0
Senior VP Operations	34	35	2	0	1	0	0	(0)
Audit Services	0	0	0	0	0	0	0	(0)
Controller	1	1	(0)	(0)	0	0	0	(0)
Supply Chain	0	0	(0)	(0)	(0)	(0)	(0)	0
Treasurer	2	2	(0)	(0)	0	0	(0)	(0)
State Regulation and Rates	0	0	(0)	(0)	0	0	(0)	0
Chief Financial Officer	3	3	(0)	(0)	(0)	0	(0)	(0)
General Counsel	3	3	(0)	(0)	0	(0)	0	0
Human Resources	1	1	(0)	0	0	(0)	(0)	(0)
Information Technology	4	4	0	(0)	0	0	(0)	0
Corporate	10	10	0	0	0	0	(0)	0
Enterprise Security	0	0	(0)	(0)	0	0	0	0
O&M Total MTD	55	57	2	0	1	0	0	(0)

	YTD			Labor & Burdens	Resident Contractors	Other Outside Services	Materials	Other
	Actual	Budget	Total Variance					
Generation	28	27	(1)	1	0	(0)	(0)	(1)
Project Engineering	0	0	0	0	0	(0)	(0)	0
Transmission	5	5	1	(0)	0	1	(0)	(0)
Energy Supply and Analysis	2	1	(0)	(0)	0	0	0	0
Generation Services	2	2	(0)	(0)	0	(0)	(0)	0
Electric Distribution	10	12	2	0	2	(0)	0	0
Gas Distribution and AMS	5	5	(0)	0	0	(0)	0	(0)
Safety and Technical Training	1	1	(0)	(0)	(0)	(0)	(0)	0
Customer Services	15	16	1	0	0	0	0	1
SVP Operations	68	71	3	1	2	0	(0)	(0)
Audit Services	0	0	0	0	0	(0)	0	(0)
Controller	1	1	(0)	(0)	0	0	0	(0)
Supply Chain	1	1	(0)	(0)	(0)	(0)	(0)	0
Treasurer	4	4	(0)	(0)	0	0	(0)	(0)
State Regulation and Rates	1	1	(0)	(0)	0	0	(0)	0
Chief Financial Officer	7	7	(0)	(0)	(0)	0	(0)	(0)
General Counsel	5	5	0	0	0	(0)	(0)	0
Human Resources	1	1	0	0	0	(0)	(0)	(0)
Information Technology	9	9	0	(0)	(0)	0	(0)	0
Corporate	20	20	0	0	0	0	(0)	(0)
Enterprise Security	0	0	0	0	0	0	0	0
O&M Total YTD	109	113	3	1	2	0	(0)	(0)

Note: Schedules may not sum due to rounding.

Attachment to Filing Requirement

807 KAR 5:001 Section 16(7)(o)

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Blake

Financing Activities
February 2017

(\$ Millions)

Balance Sheet	YTD		
	Actual	Budget	Variance
PCB			
Beg Bal	\$ 898.8	\$ 898.8	\$ 0.0
End Bal	898.8	898.8	0.0
Ave Bal	\$ 898.8	\$ 898.8	\$ 0.0
Interest Exp	\$ 2.2	\$ 2.1	\$ (0.1)
Rate	1.49%	1.39%	-0.10%
FMB/Sr Nts/Loan with PPL			
Beg Bal	\$ 4,210.0	\$ 4,210.0	\$ 0.0
End Bal	4,210.0	4,210.0	0.0
Ave Bal	\$ 4,210.0	\$ 4,210.0	\$ 0.0
Interest Exp	\$ 30.6	\$ 30.7	\$ 0.2
Rate	4.43%	4.45%	0.02%
Short-term Debt			
Beg Bal	\$ 348.1	\$ 432.7	\$ 84.6
End Bal	255.7	333.5	77.7
Ave Bal	\$ 301.9	\$ 383.1	\$ 81.2
Interest Exp	\$ 0.8	\$ 0.9	\$ 0.2
Rate	1.52%	1.47%	-0.05%
Unamortized Debt Expense Bonds			
Beg Bal	\$ (44.0)	\$ (42.8)	\$ 1.2
End Bal	(43.4)	(42.3)	1.1
Ave Bal	\$ (43.7)	\$ (42.6)	\$ 1.2
Total End Bal	\$ 5,321.1	\$ 5,399.9	\$ 78.9
Total Average Bal	\$ 5,367.0	\$ 5,449.3	\$ 82.3
Total Expense Excl I/C ⁽¹⁾	\$ 35.1	\$ 35.4	\$ 0.3
Rate	3.96%	3.94%	-0.02%

⁽¹⁾ Total expense line includes additional revolving credit items. Total will not match sum of PCB, FMB, and STD.

Credit Facilities (\$ Millions)	Committed		Letters of Credit Issued	Unused Capacity
	Capacity	Borrowed ⁽²⁾		
LKE	\$ 300	\$ 128		\$ 172
LG&E	500	110		390
KU	598	18	\$ 198	382
TOTAL	\$ 1,398	\$ 256	\$ 198	\$ 944

⁽²⁾ LG&E and KU borrowed amounts represent commercial paper issuances. LKE borrowed amount includes bank revolver and debt with PPL.

Credit Metrics ⁽¹⁾ Moody's	LKE 2017		LG&E 2017		KU 2017	
	Actual YTD	Budget YTD	Actual YTD	Budget YTD	Actual YTD	Budget YTD
CFO pre-WC / Debt	19%	19%	28%	27%	25%	27%
CFO pre-WC + Interest / Interest	5.9	5.8	7.8	7.9	7.0	7.6
CFO pre-WC - Dividends / Debt	15%	15%	25%	26%	15%	18%
Debt to Capitalization ⁽²⁾	47%	47%	38%	38%	38%	37%

Credit Metrics Moody's	LKE 2017 BP		LG&E 2017 BP		KU 2017 BP	
	2018	2019	2018	2019	2018	2019
CFO pre-WC / Debt	18%	18%	27%	29%	26%	26%
CFO pre-WC + Interest / Interest	6.0	5.7	8.5	8.7	7.8	7.6
CFO pre-WC - Dividends / Debt	11%	15%	25%	22%	20%	18%
Debt to Capitalization ⁽²⁾	50%	49%	38%	36%	37%	37%

⁽¹⁾ Actuals represent a trailing 12 months.

⁽²⁾ For LG&E and KU this excludes purchase accounting adjustments and corresponding goodwill.

Financial Strength Factor (40% Weighting) -- Low Business Risk Grid:

Moody's Thresholds	Sub-Factor Weighting	A	Baa	Ba
CFO pre-WC / Debt	15.0%	19% - 27%	11% - 19%	5% - 11%
CFO pre-WC + Interest / Interest	7.5%	4.5x - 6x	3x - 4.5x	2x - 3x
CFO pre-WC - Dividends / Debt	10.0%	15% - 23%	7% - 15%	0% - 7%
Debt / Capitalization	7.5%	40% - 50%	50% - 59%	59% - 67%

As of December 31, 2016	Senior Unsecured	Senior Secured	Commercial Paper
Issuer	Moody's	Moody's	Moody's
LKE	Baa1		
LG&E		A1	P-2
KU		A1	P-2

Definitions

Issuers assessed **A** are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

Obligations rated **Baa** are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Attachment to Filing Requirement

807 KAR 5:001 Section 16(7)(o)

Page 58 of 62

Blake

Balance Sheet - LKE Consolidated

February 2017

(\$ Millions)

	2/28/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 17	\$ 27	\$ (10)	Decrease primarily related to higher budgeted temporary investments.
Accounts Receivable (Trade)	397	430	(32)	
Inventory	279	254	25	Higher inventory levels due to decreased fuel burn as a result of lower generation
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	23	21	3	
Prepayments and other current assets	45	37	8	
Total Current Assets	761	768	(6)	
Property, Plant, and Equipment	11,617	11,670	(53)	
Intangible Assets	93	95	(2)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	827	909	(82)	
Goodwill	997	997	0	
Other Long-term Assets	77	81	(4)	
Total Assets	\$ 14,374	\$ 14,521	\$ (148)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 214	\$ 223	\$ (9)	
Dividends Payable to Affiliated Companies	102	0	102	Dividends are considered declared and paid in the same month in the budget.
Customer Deposits	56	55	2	
Derivative Liability	4	6	(2)	
Accrued Taxes	97	65	32	Increase is primarily due to accrual of 2016 extension settlement.
Regulatory Liabilities Current	12	23	(12)	Decrease primarily related to ECR, DSM, and FAC.
Other Current Liabilities	243	237	6	
Total Current Liabilities	729	609	120	
Debt - Affiliated Company	528	573	(45)	
Debt ⁽¹⁾	4,793	4,827	(34)	
Total Debt	5,321	5,400	(79)	
Deferred Tax Liabilities	1,727	1,735	(8)	
Investment Tax Credit	132	131	1	
Accum Provision for Pension & Related Benefits	332	411	(78)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	372	360	12	
Regulatory Liabilities Non Current	902	871	30	
Derivative Liability	26	32	(6)	
Other Liabilities	188	199	(12)	
Total Deferred Credits and Other Liabilities	3,678	3,740	(61)	
Equity	4,645	4,773	(127)	
Total Liabilities and Equity	\$ 14,374	\$ 14,521	\$ (148)	

⁽¹⁾ Includes all ST and LT debt. See Financing Activities page for details.

Note: Schedules may not sum due to rounding.

Balance Sheet - LG&E

February 2017

(\$ Millions)

	2/28/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 8	\$ 5	\$ 3	
Accounts Receivable (Trade)	177	190	(14)	
Inventory	121	111	9	
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	13	5	8	
Prepayments and other current assets	48	49	(0)	Primarily due to increase in accounts receivable from associated company related to federal income tax settlement.
Total Current Assets	367	360	6	
Property, Plant, and Equipment	5,008	5,047	(39)	
Intangible Assets	6	6	(0)	
Other Property and Investments	1	1	0	
Regulatory Assets Non Current	448	501	(54)	Primarily due to MTM adjustment of Swaps, a pension funded status adjustment due to change in discount rate, and ARO revaluation.
Goodwill	0	0	0	
Other Long-term Assets	16	21	(5)	
Total Assets	\$ 5,845	\$ 5,937	\$ (92)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 146	\$ 152	\$ (6)	
Dividends Payable to Affiliated Companies	87	25	62	In the budget dividends are calculated in the month declared and any excess dividends are not recognized until the subsequent month due to balancing within the budget system.
Customer Deposits	27	26	1	
Derivative Liability	4	6	(2)	
Accrued Taxes	76	33	43	Increase is primarily due to accrual of 2016 extension settlement.
Regulatory Liabilities Current	2	5	(2)	
Other Current Liabilities	93	97	(5)	
Total Current Liabilities	435	344	91	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	1,728	1,779	(51)	
Total Debt	1,728	1,779	(51)	
Deferred Tax Liabilities	972	973	(1)	
Investment Tax Credit	36	36	(0)	
Accum Provision for Pension & Related Benefits	51	76	(25)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	103	99	3	
Regulatory Liabilities Non Current	369	358	11	
Derivative Liability	26	32	(6)	
Other Liabilities	86	92	(6)	
Total Deferred Credits and Other Liabilities	1,643	1,668	(24)	
Equity	2,039	2,146	(107)	
Total Liabilities and Equity	\$ 5,845	\$ 5,937	\$ (92)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.

Balance Sheet - KU

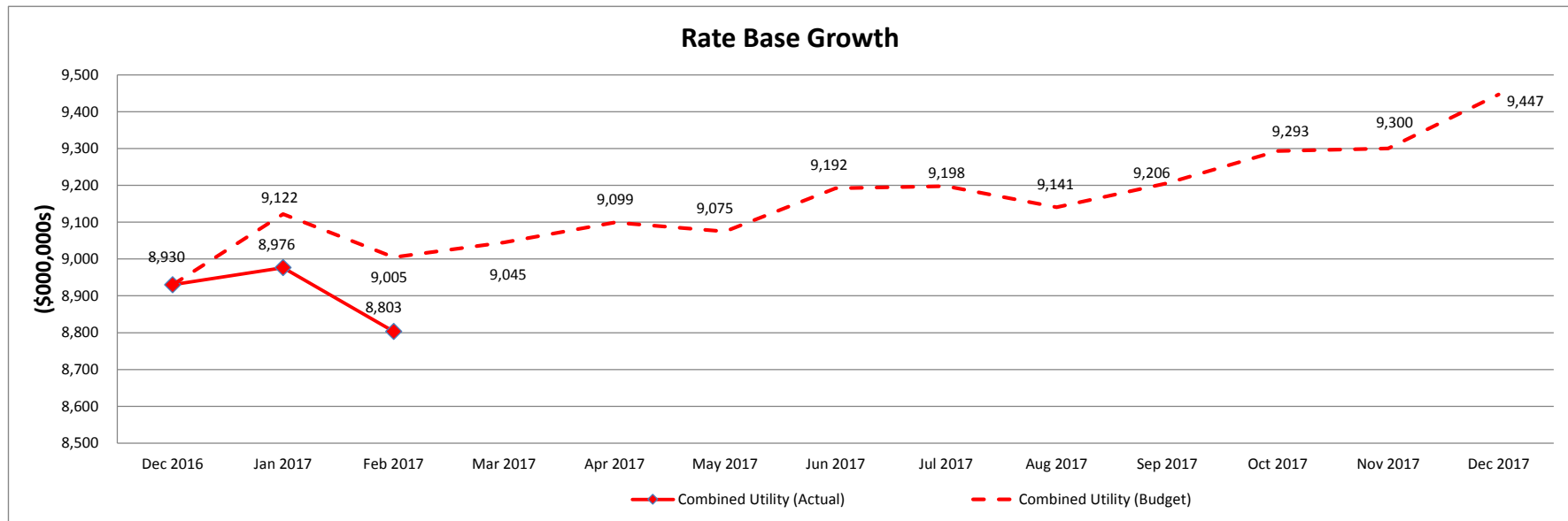
February 2017

(\$ Millions)

	2/28/2017	YTD Budget	Variance	Comments
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 8	\$ 18	\$ (9)	
Accounts Receivable (Trade)	220	239	(19)	
Inventory	158	142	15	Higher inventory levels due to decreased fuel burn as a result of lower generation
Deferred Income Taxes	0	0	0	
Regulatory Assets Current	11	16	(5)	
Prepayments and other current assets	22	19	3	
Total Current Assets	419	433	(14)	
Property, Plant, and Equipment	6,601	6,614	(13)	
Intangible Assets	13	13	(0)	
Other Property and Investments	0	0	0	
Regulatory Assets Non Current	376	405	(29)	
Goodwill	0	0	0	
Other Long-term Assets	58	58	1	
Total Assets	\$ 7,467	\$ 7,522	\$ (55)	
Liabilities and Equity:				
Current Liabilities:				
Accounts Payable (Trade)	\$ 112	\$ 114	\$ (2)	
Dividends Payable to Affiliated Companies	70	40	30	In the budget dividends are calculated in the month declared and any excess dividends are not recognized until the subsequent month due to balancing within the budget system.
Customer Deposits	29	28	1	
Derivative Liability	0	0	0	
Accrued Taxes	47	42	5	
Regulatory Liabilities Current	9	18	(9)	
Other Current Liabilities	84	83	0	
Total Current Liabilities	351	325	26	
Debt - Affiliated Company	0	0	0	
Debt ⁽¹⁾	2,343	2,325	18	
Total Debt	2,343	2,325	18	
Deferred Tax Liabilities	1,164	1,206	(42)	
Investment Tax Credit	95	95	1	
Accum Provision for Pension & Related Benefits	44	67	(22)	Decrease primarily from funded status adjustment due to change in discount rate.
Asset Retirement Obligation	269	261	8	
Regulatory Liabilities Non Current	459	437	21	
Derivative Liability	0	0	0	
Other Liabilities	49	53	(4)	
Total Deferred Credits and Other Liabilities	2,080	2,118	(38)	
Equity	2,693	2,754	(61)	
Total Liabilities and Equity	\$ 7,467	\$ 7,522	\$ (55)	

⁽¹⁾ Includes all ST and LT debt.

Note: Schedules may not sum due to rounding.



Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(a)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional financial summary for both the base period and the forecasted period that details how the utility derived the amount of the requested revenue increase.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

A OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
OVERALL FINANCIAL SUMMARY
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE A
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$
1	CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS	J	2,167,496,810	2,408,753,314
2	ADJUSTED OPERATING INCOME	C-1	159,250,757	117,138,597
3	EARNED RATE OF RETURN (2 / 1)		7.35%	4.86%
4	REQUIRED RATE OF RETURN	J	7.36%	7.25%
5	REQUIRED OPERATING INCOME (1 x 4)	C-1	159,571,661	174,634,019
6	OPERATING INCOME DEFICIENCY (5 - 2)	C-1	320,904	57,495,422
7	GROSS REVENUE CONVERSION FACTOR	H	1.640962	1.640962
8	REVENUE DEFICIENCY (6 x 7)		526,591	94,347,796
9	REVENUE INCREASE REQUESTED	C-1		94,076,042
10	ADJUSTED OPERATING REVENUES	C-1		1,017,201,653
11	REVENUE REQUIREMENTS (9 + 10)			<u>1,111,277,695</u>

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

A

OVERALL FINANCIAL SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
OVERALL FINANCIAL SUMMARY
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE A
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT \$
1	CAPITALIZATION ALLOCATED TO GAS OPERATIONS	J	486,098,232	702,725,469
2	ADJUSTED OPERATING INCOME	C-1	34,181,149	42,744,969
3	EARNED RATE OF RETURN (2 / 1)		7.03%	6.08%
4	REQUIRED RATE OF RETURN	J	7.36%	7.25%
5	REQUIRED OPERATING INCOME (1 x 4)	C-1	35,786,674	50,947,422
6	OPERATING INCOME DEFICIENCY (5 - 2)	C-1	1,605,525	8,202,453
7	GROSS REVENUE CONVERSION FACTOR	H	1.640962	1.640962
8	REVENUE DEFICIENCY (6 x 7)		2,634,606	13,459,913
9	REVENUE INCREASE REQUESTED	C-1		13,380,632
10	ADJUSTED OPERATING REVENUES	C-1		184,116,917
11	REVENUE REQUIREMENTS (9 + 10)			<u>197,497,549</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(b)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional rate base summary for both the base period and the forecasted period with supporting schedules, which include detailed analyses of each component of the rate base.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
B-1	RATE BASE SUMMARY
B-2	PLANT IN SERVICE BY MAJOR GROUPING
B-2.1	PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
B-2.2	PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
B-2.3	GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
B-2.4	PROPERTY MERGED OR ACQUIRED
B-2.5	LEASED PROPERTY
B-2.6	PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
B-2.7	PROPERTY EXCLUDED FROM RATE BASE
B-3	ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.1	ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.2	DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
B-4	CONSTRUCTION WORK IN PROGRESS
B-4.1	ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
B-4.2	CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
B-5	ALLOWANCE FOR WORKING CAPITAL
B-5.1	OTHER WORKING CAPITAL COMPONENTS
B-5.2	CASH WORKING CAPITAL COMPONENTS
B-6	DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
B-7	JURISDICTIONAL PERCENTAGES
B-7.1	JURISDICTIONAL STATISTICS - RATE BASE
B-7.2	EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES
B-8	COMPARATIVE BALANCE SHEETS

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL RATE BASE SUMMARY
AS OF FEBRUARY 28, 2017
AS OF JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 1

WORKPAPER REFERENCE NO(S): SEE BELOW

WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG FORECAST PERIOD
			\$	\$
ELECTRIC:				
1	Plant in Service	B-2	4,186,314,288	4,328,499,783
2	Property Held for Future Use	B-2.6	3,126,750	3,126,750
3	Accumulated Depreciation and Amortization	B-3	(1,664,843,653)	(1,684,052,745)
4	Net Plant in Service (Lines 1+2+3)		<u>2,524,597,385</u>	<u>2,647,573,788</u>
5	Construction Work in Progress	B-4	61,063,302	123,541,728
6	Net Plant (Lines 4+5)		<u>2,585,660,687</u>	<u>2,771,115,516</u>
7	Cash Working Capital Allowance	B-5	71,394,649	75,842,724
8	Other Working Capital Allowances	B-5	108,426,344	87,157,744
9	Customer Advances for Construction	B-6	(1,555,216)	(1,444,019)
10	Deferred Income Taxes	B-6	(562,744,853)	(559,533,189)
11	Investment Tax Credits	B-6	-	-
12	Other Items	B-6	-	-
13	Rate Base (Lines 6 through 12)		<u><u>2,201,181,610</u></u>	<u><u>2,373,138,776</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		\$		\$	\$	\$
ELECTRIC:						
1	INTANGIBLE PLANT	2,240	100.000%	2,240	-	2,240
2	STEAM PRODUCTION	2,998,627,717	100.000%	2,998,627,717	(1,254,682,039)	1,743,945,679
3	HYDO PRODUCTION	127,661,382	100.000%	127,661,382	(466,646)	127,194,736
4	OTHER PRODUCTION	383,824,744	100.000%	383,824,744	(78,099)	383,746,645
5	TRANSMISSION	425,844,433	100.000%	425,844,433	(200,929)	425,643,504
6	DISTRIBUTION	1,309,221,113	100.000%	1,309,221,113	(424,649)	1,308,796,464
7	GENERAL	22,919,381	100.000%	22,919,381	(7,954,950)	14,964,431
8	COMMON	182,020,589	100.000%	182,020,589	-	182,020,589
9	TOTAL ELECTRIC	<u>5,450,121,600</u>		<u>5,450,121,600</u>	<u>(1,263,807,312)</u>	<u>4,186,314,288</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	2,240		2,240	-	2,240
3	302	Franchises and Consents	-		-	-	-
4	303	Misc Intangible Plant	-		-	-	-
5		Total Intangible Plant	<u>2,240</u>		<u>2,240</u>	-	<u>2,240</u>
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	7,627,462		7,627,462	(360,851)	7,266,610
8	311	Structures and Improvements	299,074,124		299,074,124	(31,264,136)	267,809,987
9	312	Boiler Plant Equipment	2,156,363,692		2,156,363,692	(1,064,027,558)	1,092,336,134
10	313	Engines and engine-driven generators	-		-	-	-
11	314	Turbogenerator Units	225,190,788		225,190,788	-	225,190,788
12	315	Accessory Electric Equipment	164,992,344		164,992,344	(31,189,178)	133,803,166
13	316	Misc Power Plant Equip	18,449,100		18,449,100	(910,107)	17,538,993
14	317	ARO Cost Steam Production	126,930,208		126,930,208	(126,930,208)	0
15		Total Electric Steam Production	<u>2,998,627,717</u>		<u>2,998,627,717</u>	<u>(1,254,682,039)</u>	<u>1,743,945,679</u>
16		<u>Electric Hydro Production</u>					
17	330	Land and Land Rights	7		7	-	7
18	331	Structures and Improvements	10,897,241		10,897,241	-	10,897,241
19	332	Reservoirs, Dams, and Water	21,559,351		21,559,351	-	21,559,351
20	333	Water Wheels, Turbines, Generators	80,777,915		80,777,915	-	80,777,915
21	334	Accessory Electric Equipment	11,257,620		11,257,620	-	11,257,620
22	335	Misc Power Plant Equipment	2,672,673		2,672,673	-	2,672,673
23	336	Roads, Railroads, and Bridges	29,931		29,931	-	29,931
24	337	ARO Cost Hydro Production	466,646		466,646	(466,646)	-
25		Total Electric Hydro Production	<u>127,661,382</u>		<u>127,661,382</u>	<u>(466,646)</u>	<u>127,194,736</u>
26		<u>Electric Other Production</u>					
27	340	Land and Land Rights	123,879		123,879	-	123,879
28	341	Structures and Improvements	33,098,081		33,098,081	-	33,098,081
29	342	Fuel Holders, Producers, Accessories	24,306,666		24,306,666	-	24,306,666
30	343	Prime Movers	234,236,079		234,236,079	-	234,236,079

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 2 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
31	344	Generators	59,410,313		59,410,313	-	59,410,313
32	345	Accessory Electric Equipment	27,643,239		27,643,239	-	27,643,239
33	346	Misc Power Plant Equipment	4,928,388		4,928,388	-	4,928,388
34	347	ARO Cost Other Production	78,099		78,099	(78,099)	-
35		Total Electric Other Production	<u>383,824,744</u>		<u>383,824,744</u>	<u>(78,099)</u>	<u>383,746,645</u>
36		<u>Electric Transmission</u>					
37	350	Land and Land Rights	11,144,162		11,144,162	-	11,144,162
38	352	Structures and Improvements	17,120,136		17,120,136	-	17,120,136
39	353	Station Equipment	193,484,643		193,484,643	-	193,484,643
40	354	Towers and Fixtures	43,846,469		43,846,469	-	43,846,469
41	355	Poles and Fixtures	91,510,170		91,510,170	-	91,510,170
42	356	OH Conductors and Devices	59,484,639		59,484,639	-	59,484,639
43	357	Underground Conduit	1,687,813		1,687,813	-	1,687,813
44	358	UG Conductors and Devices	7,365,473		7,365,473	-	7,365,473
45	359	ARO Cost Elec Transmission	200,929		200,929	(200,929)	-
46		Total Electric Transmission	<u>425,844,433</u>		<u>425,844,433</u>	<u>(200,929)</u>	<u>425,643,504</u>
47		<u>Electric Distribution</u>					
48	360	Land and Land Rights	4,100,654		4,100,654	-	4,100,654
49	361	Structures and Improvements	6,940,208		6,940,208	-	6,940,208
50	362	Station Equipment	132,869,074		132,869,074	-	132,869,074
51	364	Poles, Towers, and Fixtures	196,491,046		196,491,046	-	196,491,046
52	365	OH Conductors and Devices	315,143,490		315,143,490	-	315,143,490
53	366	Underground Conduit	82,495,729		82,495,729	-	82,495,729
54	367	UG Conductors and Devices	227,932,670		227,932,670	-	227,932,670
55	368	Line Transformers	162,847,862		162,847,862	-	162,847,862
56	369	Services	32,538,559		32,538,559	-	32,538,559
57	370	Meters	42,441,311		42,441,311	-	42,441,311
58	371	Install on Customer Premise	-		-	-	-
59	373	Street Lighting / Signal Systems	104,995,859		104,995,859	-	104,995,859
60	374	ARO Cost Elec Distribution	424,649		424,649	(424,649)	-
61		Total Electric Distribution	<u>1,309,221,113</u>		<u>1,309,221,113</u>	<u>(424,649)</u>	<u>1,308,796,464</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 3 OF 6

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
62		<u>Electric General Plant</u>					
63	389	Land and Land Rights	-		-	-	-
64	390	Structures and Improvements	-		-	-	-
65	391	Office Furniture and Equipment	-		-	-	-
66	392	Transportation Equipment	6,091,281		6,091,281	-	6,091,281
67	393	Stores Equipment	-		-	-	-
68	394	Tools, Shop, and Garage Equipment	6,563,343		6,563,343	-	6,563,343
69	395	Laboratory Equipment	-		-	-	-
70	396	Power Operated Equipment	2,309,807		2,309,807	-	2,309,807
71	397	Communication Equipment	7,954,950		7,954,950	(7,954,950)	-
72	398	Miscellaneous Equipment	-		-	-	-
73		Total Electric General Plant	<u>22,919,381</u>		<u>22,919,381</u>	(7,954,950)	14,964,431
74		<u>Common Plant (1)</u>					
75	301	Organization	58,648		58,648	-	58,648
76	302	Franchises and Consents	-		-	-	-
77	303	Misc Intangible Plant	70,441,908		70,441,908	-	70,441,908
78	389	Land and Land Rights	1,095,076		1,095,076	-	1,095,076
79	390	Structures and Improvements	56,036,680		56,036,680	-	56,036,680
80	391	Office Furniture and Equipment	25,762,416		25,762,416	-	25,762,416
81	392	Transportation Equipment	191,923		191,923	-	191,923
82	393	Stores Equipment	1,029,753		1,029,753	-	1,029,753
83	394	Tools, Shop, and Garage Equipment	2,846,577		2,846,577	-	2,846,577
84	395	Laboratory Equipment	-		-	-	-
85	396	Power Operated Equipment	239,810		239,810	-	239,810
86	397	Communication Equipment	24,317,798		24,317,798	-	24,317,798
87	398	Miscellaneous Equipment	-		-	-	-
88	399	ARO Cost Common	-		-	-	-
89		Total Common Plant allocated to Electric	<u>182,020,589</u>		<u>182,020,589</u>	-	182,020,589
90		TOTAL ELECTRIC PLANT IN SERVICE	<u>5,450,121,600</u>		<u>5,450,121,600</u>	(1,263,807,312)	<u>4,186,314,288</u>

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	310	Land and Land Rights	(360,851)	100.000%	(360,851)		ECR amounts excluded from rate base
2	311	Structures and Improvements	(31,264,136)	100.000%	(31,264,136)		ECR amounts excluded from rate base
3	312	Boiler Plant Equipment	(1,064,027,558)	100.000%	(1,064,027,558)		ECR amounts excluded from rate base
4	315	Accessory Electric Equipment	(31,189,178)	100.000%	(31,189,178)		ECR amounts excluded from rate base
5	316	Misc Power Plant Equip	(910,107)	100.000%	(910,107)		ECR amounts excluded from rate base
6	317	ARO Cost Steam Production	(126,930,208)	100.000%	(126,930,208)		ARO amounts excluded from rate base
7	337	ARO Cost Hydro Production	(466,646)	100.000%	(466,646)		ARO amounts excluded from rate base
8	347	ARO Cost Other Production	(78,099)	100.000%	(78,099)		ARO amounts excluded from rate base
9	359	ARO Cost Elec Transmission	(200,929)	100.000%	(200,929)		ARO amounts excluded from rate base
10	374	ARO Cost Elec Distribution	(424,649)	100.000%	(424,649)		ARO amounts excluded from rate base
11	397	Communication Equipment (General)	<u>(7,954,950)</u>	100.000%	<u>(7,954,950)</u>		DSM amounts excluded from rate base
12		TOTAL ADJUSTMENTS	<u>(1,263,807,312)</u>		<u>(1,263,807,312)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD
			BEGINNING BALANCE				ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>Electric Intangible Plant</u>					
2	301	Organization	2,240	-	-	-	2,240
3	302	Franchises and Consents	-	-	-	-	-
4	303	Misc Intangible Plant	-	-	-	-	-
5		Total Intangible Plant	2,240	-	-	-	2,240
6		<u>Electric Steam Production</u>					
7	310	Land and Land Rights	6,787,926	-	-	839,535	7,627,462
8	311	Structures and Improvements	291,264,498	12,121,765	(378,333)	(3,933,807)	299,074,124
9	312	Boiler Plant Equipment	1,920,904,844	300,583,296	(71,903,562)	6,779,115	2,156,363,692
10	313	Engines and engine-driven generators	-	-	-	-	-
11	314	Turbogenerator Units	224,994,242	1,249,757	(1,053,211)	-	225,190,788
12	315	Accessory Electric Equipment	141,716,157	24,882,694	(1,606,507)	-	164,992,344
13	316	Misc Power Plant Equip	18,239,206	423,253	(64,256)	(149,103)	18,449,100
14	317	ARO Cost Steam Production	137,737,821	(21,153,678)	(765,926)	11,111,991	126,930,208
15		Total Electric Steam Production	2,741,644,694	318,107,086	(75,771,795)	14,647,732	2,998,627,717
16		<u>Electric Hydro Production</u>					
17	330	Land and Land Rights	7	-	-	-	7
18	331	Structures and Improvements	9,454,745	1,446,167	(3,672)	-	10,897,241
19	332	Reservoirs, Dams, and Water	19,411,562	2,220,791	(73,002)	-	21,559,351
20	333	Water Wheels, Turbines, Generators	71,547,880	9,230,371	(336)	-	80,777,915
21	334	Accessory Electric Equipment	9,802,968	1,454,652	-	-	11,257,620
22	335	Misc Power Plant Equipment	1,981,192	693,019	(1,539)	-	2,672,673
23	336	Roads, Railroads, and Bridges	29,931	-	-	-	29,931
24	337	ARO Cost Hydro Production	257,805	208,841	-	-	466,646
25		Total Electric Hydro Production	112,486,089	15,253,841	(78,548)	-	127,661,382
26		<u>Electric Other Production</u>					
27	340	Land and Land Rights	20,260	103,619	-	-	123,879
28	341	Structures and Improvements	32,385,978	9,674,776	(133,323)	(8,829,349)	33,098,081
29	342	Fuel Holders, Producers, Accessories	46,116,141	(21,787,911)	(21,564)	-	24,306,666
30	343	Prime Movers	188,288,100	47,449,023	(1,215,998)	(285,047)	234,236,079

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3
PAGE 2 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD				BASE PERIOD
			BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	ENDING BALANCE
			\$	\$	\$	\$	\$
31	344	Generators	65,445,789	(14,506,925)	(40,809)	8,512,258	59,410,313
32	345	Accessory Electric Equipment	29,548,309	(2,230,384)	(89,026)	414,341	27,643,239
33	346	Misc Power Plant Equipment	3,802,291	945,868	(7,568)	187,797	4,928,388
34	347	ARO Cost Other Production	84,264	(6,164)	-	-	78,099
35		Total Electric Other Production	365,691,132	19,641,900	(1,508,288)	0	383,824,744
36		<u>Electric Transmission</u>					
37	350	Land and Land Rights	11,144,162	-	-	-	11,144,162
38	352	Structures and Improvements	12,356,704	4,834,044	(70,612)	-	17,120,136
39	353	Station Equipment	177,505,595	17,065,042	(1,494,834)	408,839	193,484,643
40	354	Towers and Fixtures	43,930,062	-	(83,593)	-	43,846,469
41	355	Poles and Fixtures	74,174,678	17,781,902	(446,410)	-	91,510,170
42	356	OH Conductors and Devices	55,234,629	4,633,606	(383,596)	-	59,484,639
43	357	Underground Conduit	2,278,628	-	-	(590,815)	1,687,813
44	358	UG Conductors and Devices	7,425,136	-	-	(59,664)	7,365,473
45	359	ARO Cost Elec Transmission	218,085	(9,785)	(7,371)	-	200,929
46		Total Electric Transmission	384,267,680	44,304,809	(2,486,417)	(241,639)	425,844,433
47		<u>Electric Distribution</u>					
48	360	Land and Land Rights	4,100,654	871,644	-	(871,644)	4,100,654
49	361	Structures and Improvements	7,585,701	(620,464)	(25,029)	-	6,940,208
50	362	Station Equipment	132,153,201	1,706,829	(654,213)	(336,741)	132,869,074
51	364	Poles, Towers, and Fixtures	187,154,594	10,307,101	(970,649)	-	196,491,046
52	365	OH Conductors and Devices	300,188,753	17,085,104	(2,130,367)	-	315,143,490
53	366	Underground Conduit	84,747,552	(2,465,523)	(364,680)	578,381	82,495,729
54	367	UG Conductors and Devices	208,180,901	21,428,327	(1,676,558)	-	227,932,670
55	368	Line Transformers	159,317,537	3,931,358	(401,033)	-	162,847,862
56	369	Services	30,406,834	2,270,888	(139,163)	-	32,538,559
57	370	Meters	41,833,847	1,130,673	(523,209)	-	42,441,311
58	371	Install on Customer Premise	-	-	-	-	-
59	373	Street Lighting / Signal Systems	99,008,875	9,410,602	(3,423,618)	-	104,995,859
60	374	ARO Cost Elec Distribution	522,291	(80,998)	(16,644)	-	424,649
61		Total Electric Distribution	1,255,200,740	64,975,540	(10,325,162)	(630,005)	1,309,221,113

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3
PAGE 3 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD				BASE PERIOD
			BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	ENDING BALANCE
			\$	\$	\$	\$	\$
62	E	Electric General Plant					
63	389	Land and Land Rights	-	-	-	-	-
64	390	Structures and Improvements	-	-	-	-	-
65	391	Office Furniture and Equipment	-	-	-	-	-
66	392	Transportation Equipment	4,269,682	1,897,959	(76,360)	-	6,091,281
67	393	Stores Equipment	-	-	-	-	-
68	394	Tools, Shop, and Garage Equipment	6,604,918	50,591	(92,166)	-	6,563,343
69	395	Laboratory Equipment	-	-	-	-	-
70	396	Power Operated Equipment	2,074,116	235,691	-	-	2,309,807
71	397	Communication Equipment	6,518,223	1,843,739	(407,012)	-	7,954,950
72	398	Miscellaneous Equipment	-	-	-	-	-
73		Total Electric General Plant	19,466,939	4,027,980	(575,538)	-	22,919,381
74	C	Common Plant (1)					
75	301	Organization	58,648	-	-	-	58,648
76	302	Franchises and Consents	-	-	-	-	-
77	303	Misc Intangible Plant	67,555,519	7,901,993	(5,015,604)	-	70,441,908
78	389	Land and Land Rights	1,236,543	-	-	(141,466)	1,095,076
79	390	Structures and Improvements	54,508,779	1,658,663	(263,776)	133,014	56,036,680
80	391	Office Furniture and Equipment	27,298,091	2,734,062	(4,269,737)	-	25,762,416
81	392	Transportation Equipment	197,316	-	(5,393)	-	191,923
82	393	Stores Equipment	1,048,670	(18,917)	-	-	1,029,753
83	394	Tools, Shop, and Garage Equipment	2,794,813	53,736	-	(1,972)	2,846,577
84	395	Laboratory Equipment	-	-	-	-	-
85	396	Power Operated Equipment	220,893	18,917	-	-	239,810
86	397	Communication Equipment	32,308,710	2,085,615	(10,076,528)	-	24,317,798
87	398	Miscellaneous Equipment	-	-	-	-	-
88	399	ARO Cost Common	-	-	-	-	-
89		Total Common Plant allocated to Electric	187,227,982	14,434,069	(19,631,038)	(10,424)	182,020,589
90		TOTAL ELECTRIC PLANT IN SERVICE	5,065,987,498	480,745,225	(110,376,786)	13,765,663	5,450,121,600

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PROPERTY MERGED OR ACQUIRED
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-2.4

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPERTY	ACQUISITION COST	COST BASIS	ACQUISITION ADJUSTMENT	COMMISSION APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	EXPLANATION OF TREATMENT
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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
LEASED PROPERTY
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	IDENTIFICATION OR REFERENCE NUMBER	DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	REVENUE REALIZED			EXPENSES INCURRED		
						AMOUNT	ACCT NO.	DESCRIPTION	AMOUNT	ACCT NO.	DESCRIPTION
			\$	\$	\$	\$			\$		
1	Land (Russell Corner - Tract No. D143) located at Eastside of US Hwy 42 North of KY Highway 53 intended for Substation	1-Mar-2014	161,322	-	161,322						
2	Land (Mt. Washington - Tract No. D141) located at Lots 4 & 5, Section 1 of Larry Subdivision on Gene Street intended for Substation	19-Sep-1979	60,595	-	60,595						
3	Land (River Bluff - Tract No. D142) located at U.S. Hwy 42 and River Bluff Road intended for Substation	23-Oct-1979	56,140	-	56,140						
4	Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	2-May-1983	217,017	-	217,017						
5	Land (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	8,846	-	8,846						
6	Station Equipment - Fence (Kentucky Street - Tract No. D146) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	2,536	-	2,536						
7	Land (US 42 - Tract No. D152) located at 5901 US Highway 42 intended for Substation	31-Jan-2000	253,321	-	253,321						
8	Land (Tucker Station Distribution Substation) located at Blankenbaker Station Business Park - Tract 13 intended for Substation	17-Dec-2010	745,731	-	745,731						
9	Land (GR5) located at Green River CC GT intended for Generation	1-Sep-2014	211,410	-	211,410						
10	Land (Billtown Sub) located at 1092 Tarrence Road intended for Substation	18-Dec-2015	871,644	-	871,644						
11	Land Rights (Fegenbush Distribution Substation) located at General Electric Appliance Park Plant intended for Substation	1-May-2012	519,009	-	519,009						
12	Land (Kentucky Sub) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	9,967	-	9,967						
13	Station Equipment - Fence (Kentucky Sub) located at Northwest corner of Second and Kentucky Street intended for Substation	1-Jun-1992	9,212	-	9,212						
14	TOTAL PLANT HELD FOR FUTURE USE		3,126,750	-	3,126,750	-			-		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF FEBRUARY 28, 2017

DATA: __X__BASE PERIOD____FORECASTED PERIOD
TYPE OF FILING: ____ORIGINAL __X__UPDATED ____REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE			
							AMOUNT	ACCT NO.	DESCRIPTION	REASONS FOR EXCLUSION
1		Land and Land Rights:								
2	121	Former Camp Taylor Substation - Tract No. D15	17-Dec-1939	29		1	27			Non-utility property not included in rate base
3	121	West Eastwood Distribution Substation	1-Sep-1978	21,927		-	21,927			Non-utility property not included in rate base
4	121	West Eastwood Distribution Substation	5-Oct-2010	455,614		-	455,614			Non-utility property not included in rate base
5	121	943 Fetter Avenue - Tract No. F8-1	7-Feb-1941	332		-	332			Non-utility property not included in rate base
6	121	Former Strawberry Lane Substation - Tract No. F43	11-Jul-1955	1,074		-	1,074			Non-utility property not included in rate base
7	121	Former Plymouth Substation - Tract No. D70	26-Sep-1956	3,291		-	3,291			Non-utility property not included in rate base
8	121	Standard Avenue Substation - Tract No. D124	21-Mar-1973	5,677		-	5,677			Non-utility property not included in rate base
9	121	3842 Grand Avenue - Tract No. F19-2	30-Jun-1942	269		-	269			Non-utility property not included in rate base
10	121	10th St. & Ormsby - Tract No. F3-1	31-Mar-2001	50,000		-	50,000			Non-utility property not included in rate base
11	121	Russell Corner - Tract No. D143	23-Oct-1979	28,633		-	28,633			Non-utility property not included in rate base
12	121	Cherry Hill Coal Mine - Tract No. K2	30-Jun-1940	185		-	185			Non-utility property not included in rate base
13	121	Cherry Hill Coal Mine - Tract No. K4	30-Jun-1940	15		-	15			Non-utility property not included in rate base
14	121	Cherry Hill Coal Mine - Tract No. K5	30-Jun-1940	48		-	48			Non-utility property not included in rate base
15	121	Cherry Hill Coal Mine - Tract No. K6	30-Jun-1940	192		-	192			Non-utility property not included in rate base
16	121	Cherry Hill Coal Mine - Tract No. K12	30-Jun-1966	250		-	250			Non-utility property not included in rate base
17	121	Cherry Hill Coal Mine - Mineral Rights Tract No. K1B	17-Jun-1954	31,483		31,483	-			Non-utility property not included in rate base
18	121	Cherry Hill Coal Mine - Mineral Rights	29-Jul-1940	31,628		31,628	-			Non-utility property not included in rate base
19	121	Cherry Hill Coal Mine - Right of Way	30-Jun-1940	250		250	-			Non-utility property not included in rate base
20		TOTAL		630,897	63,362	567,535	-			Non-utility property not included in rate base

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
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SCHEDULE B-3
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$	\$
1		<u>Electric Intangible Plant</u>						
2	301	Organization	2,240	-		-	-	-
3	302	Franchises and Consents	-	-		-	-	-
4	303	Misc Intangible Plant	-	-		-	-	-
5		Total Intangible Plant	2,240	-		-	-	-
6		<u>Electric Steam Production</u>						
7	310	Land and Land Rights	7,627,462	-		-	-	-
8	311	Structures and Improvements	299,074,124	(181,145,318)		(181,145,318)	537,580	(180,607,739)
9	312	Boiler Plant Equipment	2,156,363,692	(456,564,239)		(456,564,239)	36,163,304	(420,400,934)
10	313	Engines and engine-driven generators	-	-		-	-	-
11	314	Turbogenerator Units	225,190,788	(102,042,027)		(102,042,027)	-	(102,042,027)
12	315	Accessory Electric Equipment	164,992,344	(83,629,526)		(83,629,526)	375,844	(83,253,682)
13	316	Misc Power Plant Equip	18,449,100	(6,649,961)		(6,649,961)	78,195	(6,571,766)
14	317	ARO Cost Steam Production	126,930,208	(22,191,107)		(22,191,107)	22,191,107	-
15		Total Electric Steam Production	2,998,627,717	(852,222,179)		(852,222,179)	59,346,030	(792,876,149)
16		<u>Electric Hydro Production</u>						
17	330	Land and Land Rights	7	-		-	-	-
18	331	Structures and Improvements	10,897,241	(3,772,549)		(3,772,549)	-	(3,772,549)
19	332	Reservoirs, Dams, and Water	21,559,351	(2,579,715)		(2,579,715)	-	(2,579,715)
20	333	Water Wheels, Turbines, Generators	80,777,915	(2,504,313)		(2,504,313)	-	(2,504,313)
21	334	Accessory Electric Equipment	11,257,620	(2,208,163)		(2,208,163)	-	(2,208,163)
22	335	Misc Power Plant Equipment	2,672,673	74,725		74,725	-	74,725
23	336	Roads, Railroads, and Bridges	29,931	(20,518)		(20,518)	-	(20,518)
24	337	ARO Cost Hydro Production	466,646	284,959		284,959	(284,959)	-
25		Total Electric Hydro Production	127,661,382	(10,725,574)		(10,725,574)	(284,959)	(11,010,533)
26		<u>Electric Other Production</u>						
27	340	Land and Land Rights	123,879	-		-	-	-
28	341	Structures and Improvements	33,098,081	(5,778,376)		(5,778,376)	-	(5,778,376)
29	342	Fuel Holders, Producers, Accessories	24,306,666	(18,030,703)		(18,030,703)	-	(18,030,703)
30	343	Prime Movers	234,236,079	(41,531,570)		(41,531,570)	-	(41,531,570)

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD		RESERVE BALANCES			
			TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$	\$
31	344	Generators	59,410,313	(32,025,581)		(32,025,581)	-	(32,025,581)
32	345	Accessory Electric Equipment	27,643,239	(11,808,967)		(11,808,967)	-	(11,808,967)
33	346	Misc Power Plant Equipment	4,928,388	(1,422,116)		(1,422,116)	-	(1,422,116)
34	347	ARO Cost Other Production	78,099	(9,557)		(9,557)	9,557	-
35		Total Electric Other Production	383,824,744	(110,606,870)		(110,606,870)	9,557	(110,597,313)
36		Electric Transmission						
37	350	Land and Land Rights	11,144,162	(3,115,320)		(3,115,320)	-	(3,115,320)
38	352	Structures and Improvements	17,120,136	(1,966,042)		(1,966,042)	-	(1,966,042)
39	353	Station Equipment	193,484,643	(68,290,138)		(68,290,138)	-	(68,290,138)
40	354	Towers and Fixtures	43,846,469	(25,234,934)		(25,234,934)	-	(25,234,934)
41	355	Poles and Fixtures	91,510,170	(23,485,452)		(23,485,452)	-	(23,485,452)
42	356	OH Conductors and Devices	59,484,639	(27,184,634)		(27,184,634)	-	(27,184,634)
43	357	Underground Conduit	1,687,813	(614,920)		(614,920)	-	(614,920)
44	358	UG Conductors and Devices	7,365,473	(3,165,190)		(3,165,190)	-	(3,165,190)
45	359	ARO Cost Elec Transmission	200,929	(30,135)		(30,135)	30,135	-
46		Total Electric Transmission	425,844,433	(153,086,767)		(153,086,767)	30,135	(153,056,631)
47		Electric Distribution						
48	360	Land and Land Rights	4,100,654	-		-	-	-
49	361	Structures and Improvements	6,940,208	(2,335,032)		(2,335,032)	-	(2,335,032)
50	362	Station Equipment	132,869,074	(43,900,650)		(43,900,650)	-	(43,900,650)
51	364	Poles, Towers, and Fixtures	196,491,046	(80,149,112)		(80,149,112)	-	(80,149,112)
52	365	OH Conductors and Devices	315,143,490	(116,481,809)		(116,481,809)	-	(116,481,809)
53	366	Underground Conduit	82,495,729	(31,241,907)		(31,241,907)	-	(31,241,907)
54	367	UG Conductors and Devices	227,932,670	(56,610,613)		(56,610,613)	-	(56,610,613)
55	368	Line Transformers	162,847,862	(77,463,716)		(77,463,716)	-	(77,463,716)
56	369	Services	32,538,559	(25,094,068)		(25,094,068)	-	(25,094,068)
57	370	Meters	42,441,311	(25,199,151)		(25,199,151)	-	(25,199,151)
58	371	Install on Customer Premise	-	-		-	-	-
59	373	Street Lighting / Signal Systems	104,995,859	(36,910,877)		(36,910,877)	-	(36,910,877)
60	374	ARO Cost Elec Distribution	424,649	28,079		28,079	(28,079)	-
61		Total Electric Distribution	1,309,221,113	(495,358,856)		(495,358,856)	(28,079)	(495,386,935)

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$	\$
62	E	Electric General Plant						
63	389	Land and Land Rights	-	-		-	-	-
64	390	Structures and Improvements	-	-		-	-	-
65	391	Office Furniture and Equipment	-	-		-	-	-
66	392	Transportation Equipment	6,091,281	(2,875,481)		(2,875,481)	-	(2,875,481)
67	393	Stores Equipment	-	-		-	-	-
68	394	Tools, Shop, and Garage Equipment	6,563,343	(2,566,278)		(2,566,278)	-	(2,566,278)
69	395	Laboratory Equipment	-	-		-	-	-
70	396	Power Operated Equipment	2,309,807	(1,929,683)		(1,929,683)	-	(1,929,683)
71	397	Communication Equipment	7,954,950	(1,898,009)		(1,898,009)	1,884,576	(13,433)
72	398	Miscellaneous Equipment	-	-		-	-	-
73		Total Electric General Plant	22,919,381	(9,269,451)		(9,269,451)	1,884,576	(7,384,875)
74	C	Common Plant (1)						
75	301	Organization	58,648	-		-	-	-
76	302	Franchises and Consents	-	-		-	-	-
77	303	Misc Intangible Plant	70,441,908	(37,252,380)		(37,252,380)	-	(37,252,380)
78	389	Land and Land Rights	1,095,076	-		-	-	-
79	390	Structures and Improvements	56,036,680	(24,585,102)		(24,585,102)	-	(24,585,102)
80	391	Office Furniture and Equipment	25,762,416	(11,301,613)		(11,301,613)	-	(11,301,613)
81	392	Transportation Equipment	191,923	(146,037)		(146,037)	-	(146,037)
82	393	Stores Equipment	1,029,753	(650,016)		(650,016)	-	(650,016)
83	394	Tools, Shop, and Garage Equipment	2,846,577	(1,569,157)		(1,569,157)	-	(1,569,157)
84	395	Laboratory Equipment	-	-		-	-	-
85	396	Power Operated Equipment	239,810	(213,716)		(213,716)	-	(213,716)
86	397	Communication Equipment	24,317,798	(18,813,196)		(18,813,196)	-	(18,813,196)
87	398	Miscellaneous Equipment	-	-		-	-	-
88	399	ARO Cost Common	-	-		-	-	-
89		Total Common Plant allocated to Electric	182,020,589	(94,531,216)		(94,531,216)	-	(94,531,216)
90		TOTAL ELECTRIC PLANT	5,450,121,600	(1,725,800,913)		(1,725,800,913)	60,957,260	(1,664,843,653)

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

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SCHEDULE B-3.1
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	311	Structures and Improvements	537,580	100.000%	537,580		ECR amounts excluded from rate base
2	312	Boiler Plant Equipment	36,163,304	100.000%	36,163,304		ECR amounts excluded from rate base
3	315	Accessory Electric Equipment	375,844	100.000%	375,844		ECR amounts excluded from rate base
4	316	Misc Power Plant Equip	78,195	100.000%	78,195		ECR amounts excluded from rate base
5	317	ARO Cost Steam Production	22,191,107	100.000%	22,191,107		ARO amounts excluded from rate base
6	337	ARO Cost Hydro Production	(284,959)	100.000%	(284,959)		ARO amounts excluded from rate base
7	347	ARO Cost Other Production	9,557	100.000%	9,557		ARO amounts excluded from rate base
8	359	ARO Cost Elec Transmission	30,135	100.000%	30,135		ARO amounts excluded from rate base
9	374	ARO Cost Elec Distribution	(28,079)	100.000%	(28,079)		ARO amounts excluded from rate base
10	397	Communication Equipment (General)	<u>1,884,576</u>	100.000%	<u>1,884,576</u>		DSM amounts excluded from rate base
11		TOTAL ADJUSTMENTS	<u><u>60,957,260</u></u>		<u><u>60,957,260</u></u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
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SCHEDULE B-3.2
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WITNESS: C. M. GARRETT

LINE NO. (A)	ACCT. NO. (B)	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION			CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			PLANT INVESTMENT (D)	ACCUMULATED BALANCE (E)	ACCRUAL RATE (F)				
			\$	\$		\$			
1		<u>Electric Intangible Plant</u>							
2	301	Organization	2,240	-	0.00%	-	0%		
3	302	Franchises and Consents	-	-	0.00%	-	0%		
4	303	Misc Intangible Plant	-	-	11.12%	-	0%	3.8-7.5	5-SQ. SQUARE
5		Total Intangible Plant	2,240	-		-			
6		<u>Electric Steam Production</u>							
7	310	Land and Land Rights	7,266,610	-	0.00%	-	0%		
8	311	Structures and Improvements	267,809,987	180,607,739	1.85%	4,947,506	-2%,-8%,-11%	24.3	100-S1
9	312	Boiler Plant Equipment	1,092,336,134	420,400,934	3.16%	34,546,888	-2%,-8%,-11%	18.6	50-R1.5
10	313	Engines and engine-driven generators	-	-					
11	314	Turbogenerator Units	225,190,788	102,042,027	2.27%	5,114,645	-2%,-8%,-11%	21.6	60-S1.5
12	315	Accessory Electric Equipment	133,803,166	83,253,682	2.75%	3,675,995	-2%,-8%,-11%	14.4	55-S2
13	316	Misc Power Plant Equip	17,538,993	6,571,766	4.69%	823,201	-2%,-8%,-11%	14.6	45-R2.5
14	317	ARO Cost Steam (Eqp)	0	-					
15		Total Electric Steam Production	1,743,945,679	792,876,149		49,108,236			
16		<u>Electric Hydro Production</u>							
17	330	Land and Land Rights	7	-	0.00%	-	0%		
18	331	Structures and Improvements	10,897,241	3,772,549	0.48%	52,741	-3%	33.5	100-S2
19	332	Reservoirs, Dams, and Water	21,559,351	2,579,715	2.62%	565,304	-3%	33.7	100-S2.5
20	333	Water Wheels, Turbines, Generators	80,777,915	2,504,313	2.96%	2,388,316	-3%	33.3	100-S2.5
21	334	Accessory Electric Equipment	11,257,620	2,208,163	2.01%	225,921	-3%	33.8	80-S4
22	335	Misc Power Plant Equipment	2,672,673	(74,725)	2.64%	70,614	-3%	32.2	80-S1.5
23	336	Roads, Railroads, and Bridges	29,931	20,518	2.26%	676	-3%	19.3	80-S4
24	337	ARO Cost Hydro Prod (Eqp)	-	-	0.00%				
25		Total Electric Hydro Production	127,194,736	11,010,533		3,303,572			
26		<u>Electric Other Production</u>							
27	340	Land and Land Rights	123,879	-	0.00%	-			
28	341	Structures and Improvements	33,098,081	5,778,376	3.70%	1,223,841	-3%	20.1	55-R3
29	342	Fuel Holders, Producers, Accessories	24,306,666	18,030,703	4.25%	1,033,414	-3%	17.6	45-R2.5
30	343	Prime Movers	234,236,079	41,531,570	4.58%	10,723,902	-2%,-3%	17.0	30-R2
31	344	Generators	59,410,313	32,025,581	2.95%	1,751,101	-3%	17.9	60-S3
32	345	Accessory Electric Equipment	27,643,239	11,808,967	4.07%	1,126,373	-3%	18.1	45-R3
33	346	Misc Power Plant Equipment	4,928,388	1,422,116	3.68%	181,555	-3%	19.1	50-S3
34	347	ARO Cost Other Prod (Eqp)	-	-					
35		Total Electric Other Production	383,746,645	110,597,313		16,040,186			
36		<u>Electric Transmission</u>							
37	350	Land and Land Rights	11,144,162	3,115,320	1.50%	166,670	0%	47.3	60-R3
38	352	Structures and Improvements	17,120,136	1,966,042	1.74%	297,389	-5%	47.1	55-R1.5
39	353	Station Equipment	193,484,643	68,290,138	1.38%	2,674,536	-10%	40.2	55-R2.5
40	354	Towers and Fixtures	43,846,469	25,234,934	1.72%	753,086	-50%	54.6	70-R3
41	355	Poles and Fixtures	91,510,170	23,485,452	2.89%	2,648,342	-55%	41.8	53-R2
42	356	OH Conductors and Devices	59,484,639	27,184,634	2.50%	1,484,881	-40%	35.2	50-R2
43	357	Underground Conduit	1,687,813	614,920	1.67%	28,253	0%	44.6	55-R3
44	358	UG Conductors and Devices	7,365,473	3,165,190	2.98%	219,681	-5%	22.3	35-R3
45	359	ARO Cost Elec Transmission	-	-					
46		Total Electric Transmission	425,643,504	153,056,631		8,272,838			

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING (C)	ADJUSTED JURISDICTION			CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE (H)	REMAINING SERVICE LIFE (I)	CURVE FORM (J)
			PLANT INVESTMENT (D)	ACCUMULATED BALANCE (E)	ACCRUAL RATE (F)				
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
			\$	\$		\$			
47		Electric Distribution							
48	360	Land and Land Rights	4,100,654	-	0.00%	-	0%		
49	361	Structures and Improvements	6,940,208	2,335,032	1.61%	111,950	-10%	40.0	50-L1.5
50	362	Station Equipment	132,869,074	43,900,650	2.09%	2,777,208	-15%	38.1	50-R1.5
51	364	Poles, Towers, and Fixtures	196,491,046	80,149,112	3.39%	6,652,161	-70%	35.4	50-R2.5
52	365	OH Conductors and Devices	315,143,490	116,481,809	2.98%	9,397,192	-60%	39.7	50-R1.5
53	366	Underground Conduit	82,495,729	31,241,907	1.50%	1,235,978	-20%	54.8	70-R4
54	367	UG Conductors and Devices	227,932,670	56,610,613	1.92%	4,383,351	-20%	45.1	55-R3
55	368	Line Transformers	162,847,862	77,463,716	2.38%	3,877,324	-20%	31.5	45-R3
56	369	Services	32,538,559	25,094,068	3.53%	1,148,930	-40%,-100%	29.7-34.2	45-R2.5, 50-R2
57	370	Meters	42,441,311	25,199,151	2.92%	1,238,883	0%	16.1	30-R2.5
58	371	Install on Customer Premise	-	-	0.00%	-			
59	373	Street Lighting / Signal Systems	104,995,859	36,910,877	3.66%	3,845,696	-25%,-30%	22.1-24.8	28-L0.5, 35-R2
60	374	ARO Cost Elec Distribution	-	-		-			
61		Total Electric Distribution	1,308,796,464	495,386,935		34,668,673			
62		Electric General Plant							
63	389	Land and Land Rights	-	-	0.00%	-	0%		
64	390	Structures and Improvements	-	-	3.25%	-	0%	15.1-35.8	35-R2, 30-R1.5, 45-R3, 45-R0.5
65	391	Office Furniture and Equipment	-	-	10.44%	-	0%	2.2-6.6	4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ
66	392	Transportation Equipment	6,091,281	2,875,481	1.86%	113,368	0%	5.8-13.5	7-L2.5, 14-S1.5, 20-S1
67	393	Stores Equipment	-	-	5.82%	-	0%	9.3	25-SQ
68	394	Tools, Shop, and Garage Equipment	6,563,343	2,566,278	4.51%	295,690	0%	14.9	25-SQ
69	395	Laboratory Equipment	-	-	0.00%	-			
70	396	Power Operated Equipment	2,309,807	1,929,683	2.78%	64,135	0%	7.8-10.8	12-L1.5, 8-L2, 17-L3
71	397	Communication Equipment	-	13,433	13.14%	-	0%	3.5	10-SQ
72	398	Miscellaneous Equipment	-	-	6.56%	-	0%		
73		Total Electric General Plant	14,964,431	7,384,875		473,194			
74		Common Plant (1)							
75	301	Organization	58,648	-	0.00%	-			
76	302	Franchises and Consents	-	-	0.00%	-			
77	303	Misc Intangible Plant	70,441,908	37,252,380	11.12%	7,832,704	0%	3.8-7.5	5-SQ, SQUARE
78	389	Land and Land Rights	1,095,076	-	0.00%	-	0%		
79	390	Structures and Improvements	56,036,680	24,585,102	3.25%	1,821,192	0%	15.1-35.8	35-R2, 30-R1.5, 45-R3, 45-R0.5
80	391	Office Furniture and Equipment	25,762,416	11,301,613	10.44%	2,689,596	0%	2.2-6.6	4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ
81	392	Transportation Equipment	191,923	146,037	9.78%	18,761	0%	6.0-9.6	7-L2.5, 14S1.5, 20-S1
82	393	Stores Equipment	1,029,753	650,016	5.82%	59,932	0%	9.3	25-SQ
83	394	Tools, Shop, and Garage Equipment	2,846,577	1,569,157	5.04%	143,467	0%	14.2	25-SQ
84	395	Laboratory Equipment	-	-	0.00%	-			
85	396	Power Operated Equipment	239,810	213,716	1.13%	2,710	0%	10.6	12-L1.5
86	397	Communication Equipment	24,317,798	18,813,196	13.14%	3,195,359	0%	3.5	10-SQ
87	398	Miscellaneous Equipment	-	-	6.56%	-	0%		10-SQ
88	399	ARO Cost Common	-	-		-			
89		Total Common Plant allocated to Electric	182,020,589	94,531,216		15,763,721			
90		TOTAL ELECTRIC PLANT	4,186,314,288	1,664,843,653		127,630,420			

(1) 70% Common Plant allocated to Electric.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	CONSTRUCTION AMOUNT	ACCUMULATED COSTS		TOTAL COSTS	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			AFUDC CAPITALIZED	INDIRECT COSTS					
		\$	\$	\$	\$		\$	\$	\$
ELECTRIC:									
1	INTANGIBLE	-	-	-	-	100.000%	-		-
2	PRODUCTION	99,133,067	-	-	99,133,067	100.000%	99,133,067	(72,399,296)	26,733,771
3	TRANSMISSION	9,228,721	-	-	9,228,721	100.000%	9,228,721		9,228,721
4	DISTRIBUTION	10,350,327	-	-	10,350,327	100.000%	10,350,327		10,350,327
5	GENERAL	920,422	-	-	920,422	100.000%	920,422		920,422
6	COMMON	13,830,061	-	-	13,830,061	100.000%	13,830,061		13,830,061
7	TOTAL ELECTRIC	133,462,598	-	-	133,462,598		133,462,598	(72,399,296)	61,063,302

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
		\$		\$		
1	PRODUCTION	(72,399,296)	100.000%	(72,399,296)		ECR amounts excluded from rate base
2	TRANSMISSION		100.000%	-		
3	DISTRIBUTION		100.000%	-		
4	GENERAL		100.000%	-		
5	COMMON		100.000%	-		
6	TOTAL ADJUSTMENTS	<u>(72,399,296)</u>		<u>(72,399,296)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
ALLOWANCE FOR WORKING CAPITAL
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	ELECTRIC:					
1	FUEL STOCK (a)	13 MONTH AVERAGE BALANCE	B-5.1	60,373,074	100.000%	60,373,074
2	MATERIAL AND SUPPLIES (a) (b)	13 MONTH AVERAGE BALANCE	B-5.1	36,961,134	100.000%	36,961,134
3	PREPAYMENTS (c)	13 MONTH AVERAGE BALANCE	B-5.1	11,092,136	100.000%	11,092,136
4	OTHER	13 MONTH AVERAGE BALANCE	B-5.1	-	100.000%	-
5	CASH WORKING CAPITAL	1/8 O&M METHOD LESS PURCHASED POWER EXPENSE	B-5.2	71,394,649	100.000%	71,394,649
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u>179,820,993</u>		<u>179,820,993</u>

- (a) Excludes 25% of Trimble County inventories disallowed
- (b) Includes emission allowances (ECR amounts excluded)
- (c) Excludes PSC fees

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
OTHER WORKING CAPITAL COMPONENTS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

PAGE 1 OF 2

WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	FUEL STOCK (a)	60,373,074	100.000%	60,373,074
2	MATERIAL AND SUPPLIES (a) (b)	36,961,134	100.000%	36,961,134
3	PREPAYMENTS (c)	11,092,136	100.000%	11,092,136
4	OTHER	-	100.000%	-
5	TOTAL OTHER WORKING CAPITAL	<u>108,426,344</u>		<u>108,426,344</u>

- (a) Excludes 25% of Trimble County inventories disallowed
- (b) Includes Emission Allowances (ECR amounts excluded)
- (c) Excludes PSC fees

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
CASH WORKING CAPITAL COMPONENTS
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5.2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	ELECTRIC:			
1	OPERATING AND MAINTENANCE EXPENSE (a)	627,687,083	100.000%	627,687,083
2	ELECTRIC POWER PURCHASED	<u>56,529,890</u>	100.000%	<u>56,529,890</u>
3	O&M LESS PURCHASE POWER EXPENSE (LINE 1 - 2)	<u><u>571,157,193</u></u>		<u><u>571,157,193</u></u>
4	CASH WORKING CAPITAL (12.5% OF LINE 3)	<u><u>71,394,649</u></u>		<u><u>71,394,649</u></u>

(a) Excludes ECR amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1	252	Customer Advances for Construction	1,555,216	100.000%	1,555,216	-	1,555,216
2	255	Deferred Investment Tax Credits	-	100.000%	-	-	-
3	190, 282, 283	Deferred Income Taxes (a)	792,321,204	100.000%	792,321,204	(229,576,351)	562,744,853
4	101, 108, 182, 230	Unamortized Closure Cost (a)	(4,506,933)	100.000%	(4,506,933)	4,506,933	-

(a) Adjustment reflects applicable ECR and DSM jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL PERCENTAGE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	JURIS. PERCENT	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL STATISTICS - RATE BASE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7.1
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	STATISTIC TOTAL COMPANY	ADJUSTMENT TO TOTAL COMPANY STATISTIC	ADJUSTED STATISTIC FOR TOTAL COMPANY	STATISTIC FOR RATE AREA	ALLOCATION FACTOR %
(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=F/E)

ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES - RATE BASE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7.2
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	PROCEDURES APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 6,959,365,809	4.53%	\$ 6,657,889,866	8.55%	\$ 6,133,579,940	7.49%	\$ 5,706,441,994	12.55%	\$ 5,070,053,264	3.81%	\$ 4,883,776,677	4.31%	\$ 4,682,019,555
4	Construction Work in Progress	331,294,179	123.86%	147,991,451	-62.04%	389,846,497	-42.36%	676,320,025	3.82%	651,432,116	152.14%	258,364,758	20.02%	215,276,377
5	Total Utility Plant	\$ 7,290,659,988	7.12%	\$ 6,805,881,317	4.33%	\$ 6,523,426,437	2.20%	\$ 6,382,762,019	11.56%	\$ 5,721,485,380	11.27%	\$ 5,142,141,435	5.00%	\$ 4,897,295,932
6	Less: Accumulated Provision for Depreciation	2,191,150,623	5.59%	2,075,099,154	2.93%	2,015,937,461	-16.59%	2,416,826,220	4.89%	2,304,132,232	4.65%	2,201,756,057	3.96%	2,117,873,453
7	Net Utility Plant	\$ 5,099,509,365	7.79%	\$ 4,730,782,163	4.95%	\$ 4,507,488,976	13.66%	\$ 3,965,935,799	16.05%	\$ 3,417,353,148	16.22%	\$ 2,940,385,378	5.79%	\$ 2,779,422,479
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 567,535	0.00%	\$ 567,537	0.00%	\$ 567,535	-0.09%	\$ 568,052	16.07%	\$ 489,421	-7.14%	\$ 527,050	4336.82%	\$ 11,879
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	8,722,690	0.00%	2,954,231	-67.58%	9,111,614	-56.35%	20,873,650	-6.08%	22,225,512	-29.99%	31,747,624	10.06%	28,846,731
13	Total Other Property and Investments	\$ 9,884,511	140.15%	\$ 4,116,054	-59.93%	\$ 10,273,435	-53.38%	\$ 22,035,988	-5.46%	\$ 23,309,219	-29.08%	\$ 32,868,960	11.60%	\$ 29,452,896
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 5,000,000	-31.77%	\$ 7,328,410	166.54%	\$ 2,749,464	-38.51%	\$ 4,471,662	28.95%	\$ 3,467,771	-52.96%	\$ 7,372,093	-70.42%	\$ 24,920,485
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	12,277
17	Working Funds	19,790	100.00%	-	100.00%	-	0.00%	-	-100.00%	20,090	0.00%	20,090	0.00%	20,090
18	Temporary Cash Investments	-	-100.00%	1,155,292	-92.79%	16,031,632	192.71%	5,476,948	20.79%	4,534,363	-68.33%	14,316,601	43199.66%	33,064
19	Customer Accounts Receivable	105,845,277	-7.14%	113,988,030	22.80%	92,825,487	-14.15%	108,131,123	5.29%	102,699,350	70.17%	60,350,235	-2.38%	61,822,664
20	Other Accounts Receivable	9,566,819	-0.97%	9,660,600	41.71%	6,817,320	-32.73%	10,134,328	2.03%	9,932,730	-38.38%	16,118,221	-24.49%	12,947,354
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,540,607	6.08%	1,452,301	22.59%	1,184,713	-25.68%	1,594,049	-12.84%	1,828,848	50.15%	1,218,026	-33.66%	1,835,907
22	Accounts Receivable from Associated Companies	23,378,019	-10.81%	26,210,135	60.06%	16,375,434	-83.15%	97,209,024	89299.94%	108,735	-99.20%	13,662,418	25.15%	10,916,898
23	Fuel	38,152,019	-31.11%	55,380,534	-22.04%	71,040,238	6.72%	66,567,149	3.70%	64,191,758	5.06%	61,099,619	16.37%	52,502,546
24	Plant Materials and Operating Supplies	34,072,187	-1.39%	34,552,804	7.81%	32,048,293	-9.55%	35,430,432	-1.08%	35,816,744	9.44%	32,727,610	6.86%	30,625,941
25	Stores Expense Undistributed	6,421,865	-5.92%	6,826,256	23.07%	5,546,728	-12.69%	6,352,862	2.68%	6,186,832	5.58%	5,860,024	4.71%	5,596,506
26	Gas Stored Underground	24,895,211	3.83%	23,976,876	-43.01%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888	13.18%	42,010,154	-21.16%	53,287,605
27	Prepayments	17,690,067	4.53%	16,924,163	161.48%	6,472,537	-15.25%	7,636,886	48.99%	5,125,670	-26.53%	6,976,761	27.49%	5,472,353
28	Interest, Dividends, and Rents Receivable	669,472	63.18%	410,267	-10.60%	458,910	-41.95%	790,509	40.58%	562,307	55.80%	360,905	1150.23%	28,867
29	Accrued Utility Revenues	71,482,860	16.11%	61,562,901	-8.17%	67,041,506	-12.22%	76,374,354	-10.31%	85,152,363	18.03%	72,143,278	11.96%	64,436,527
30	Miscellaneous Current Assets	-	-100.00%	116,364	20278.98%	571	-90.98%	6,329	-84.84%	41,739	-99.42%	7,144,047	284296.78%	2,512
31	Total Current and Accrued Assets	\$ 335,652,980	-5.88%	\$ 356,640,331	-0.46%	\$ 358,291,967	-23.95%	\$ 471,138,936	29.59%	\$ 363,558,492	7.26%	\$ 338,944,030	5.66%	\$ 320,789,782
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 16,270,975	11.30%	\$ 14,618,731	-7.95%	\$ 15,881,935	22.19%	\$ 12,997,480	-6.93%	\$ 13,965,458	6.39%	\$ 13,126,319	-1.50%	\$ 13,326,195
34	Other Regulatory Assets	499,833,667	8.83%	459,288,466	5.73%	434,413,097	5.79%	410,620,298	31.33%	312,656,793	-23.46%	408,462,227	2.86%	397,110,901
35	Miscellaneous Deferred Debits	6,960,585	-16.80%	8,366,546	27.04%	6,585,819	75.52%	3,752,218	151.15%	1,493,996	-23.07%	1,942,009	31.15%	1,480,708
36	Unamortized Loss on Re-Acquired Debt	15,646,685	1.40%	15,430,227	-8.50%	16,863,861	-6.47%	18,031,262	-2.23%	18,442,649	-7.64%	19,968,045	-4.75%	20,963,863
37	Accumulated Deferred Income Taxes	284,296,675	9.34%	260,023,313	-0.43%	261,142,312	65.41%	157,876,610	20.52%	130,998,531	-22.60%	106,846,806	348.44%	23,826,072
38	Total Deferred Debits	\$ 823,008,587	8.62%	\$ 757,727,283	3.11%	\$ 734,887,024	21.82%	\$ 603,277,868	26.33%	\$ 477,557,427	-13.23%	\$ 550,345,406	20.50%	\$ 456,707,739
39	Total Assets	\$ 6,268,055,443	7.16%	\$ 5,849,265,831	4.25%	\$ 5,610,941,402	10.84%	\$ 5,062,388,591	18.23%	\$ 4,281,778,286	10.85%	\$ 3,862,543,774	7.70%	\$ 3,586,372,896

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__BASE PERIOD__X__FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
1	LIABILITIES & PROPRIETARY CAPITAL													
2	PROPRIETARY CAPITAL													
3	Common Stock Issued	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424
4	Paid in Capital	566,733,062	16.11%	488,081,499	17.02%	417,081,499	27.52%	327,081,499	92.88%	169,581,499	102.89%	83,581,499	0.00%	83,581,499
5	(Less) Capital Stock Expense	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	1,231,418,268	9.29%	1,126,714,821	2.54%	1,098,854,463	6.43%	1,032,434,890	5.75%	976,302,939	6.51%	916,602,336	5.49%	868,929,558
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	<u>\$ 2,222,485,866</u>	8.99%	<u>\$2,039,130,855</u>	5.10%	<u>\$ 1,940,270,497</u>	8.77%	<u>\$ 1,783,850,924</u>	13.61%	<u>\$ 1,570,218,973</u>	10.23%	<u>\$1,424,518,370</u>	3.46%	<u>\$ 1,376,845,592</u>
10	LONG-TERM DEBT													
11	Bonds	\$ 1,822,403,281	11.81%	\$1,629,942,595	-1.50%	\$ 1,654,729,468	22.14%	\$ 1,354,743,586	0.03%	\$ 1,354,402,769	22.47%	\$1,105,915,402	0.03%	\$ 1,105,635,542
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	<u>\$ 1,822,403,281</u>	11.81%	<u>\$1,629,942,595</u>	-1.50%	<u>\$ 1,654,729,468</u>	22.14%	<u>\$ 1,354,743,586</u>	0.03%	<u>\$ 1,354,402,769</u>	22.47%	<u>\$1,105,915,402</u>	0.03%	<u>\$ 1,105,635,542</u>
14	OTHER NON-CURRENT LIABILITIES													
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	139,964,967	9.80%	127,477,353	-3.65%	132,307,531	-7.07%	142,374,774	49.71%	95,101,935	-48.96%	186,312,333	1.18%	184,133,496
17	Total Other Non-Current Liabilities	<u>\$ 139,964,967</u>	9.80%	<u>\$ 127,477,353</u>	-3.65%	<u>\$ 132,307,531</u>	-7.07%	<u>\$ 142,374,774</u>	49.71%	<u>\$ 95,101,935</u>	-48.96%	<u>\$ 186,312,333</u>	1.18%	<u>\$ 184,133,496</u>
18	CURRENT AND ACCRUED LIABILITIES													
19	Notes Payable	\$ 159,467,796	44.99%	\$ 109,984,686	-22.53%	\$ 141,969,180	-46.21%	\$ 263,956,483	1220.00%	\$ 19,996,778	-63.64%	\$ 54,992,669	100.00%	\$ -
20	Accounts Payable	136,966,021	7.09%	127,901,732	-25.70%	172,152,826	-29.78%	245,177,038	43.50%	170,850,243	40.53%	121,578,266	24.25%	97,848,808
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	25,831,424	9.11%	23,674,922	-3.62%	24,563,440	22.72%	20,016,015	-17.61%	24,294,741	6.55%	22,801,659	-10.68%	25,528,426
23	Customer Deposits	26,279,737	-2.19%	26,869,453	5.76%	25,405,488	3.70%	24,498,183	1.76%	24,075,549	2.61%	23,464,189	4.93%	22,361,042
24	Taxes Accrued	24,664,267	-67.58%	76,087,596	281.86%	19,925,519	5.60%	18,869,565	64.45%	11,474,665	561.18%	1,735,495	-86.94%	13,284,850
25	Interest Accrued	17,023,960	-12.36%	19,424,550	77.45%	10,946,603	86.46%	5,870,903	5.21%	5,580,258	9.02%	5,118,488	-12.14%	5,825,755
26	Tax Collections Payable	1,488,056	100.00%	-	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	59,754,885	-57.58%	140,848,843	101.05%	70,058,015	-21.86%	89,656,315	272.97%	24,038,771	-5.70%	25,492,409	14.95%	22,176,210
28	Total Current and Accrued Liabilities	<u>\$ 451,476,146</u>	-13.97%	<u>\$ 524,791,782</u>	12.85%	<u>\$ 465,021,071</u>	-30.39%	<u>\$ 668,044,502</u>	138.32%	<u>\$ 280,311,005</u>	9.85%	<u>\$ 255,183,175</u>	36.44%	<u>\$ 187,025,091</u>
29	DEFERRED CREDITS													
30	Customer Advances for Construction	\$ 6,777,844	7.56%	\$ 6,301,490	-15.17%	\$ 7,428,646	-9.78%	\$ 8,234,051	22.02%	\$ 6,748,025	0.57%	\$ 6,709,975	-8.17%	\$ 7,307,168
31	Accumulated Deferred Investment Tax Credits	35,325,685	-2.34%	36,172,653	4.41%	34,643,470	-3.72%	35,982,105	-4.74%	37,770,885	-5.27%	39,871,227	-6.67%	42,718,844
32	Other Deferred Credits	5,249,411	59.48%	3,291,638	-18.07%	4,017,629	-72.50%	14,609,363	-14.65%	17,117,636	131.03%	7,409,317	44.70%	5,120,367
33	Other Regulatory Liabilities	76,109,847	-1.64%	77,382,115	-13.59%	89,547,281	0.07%	89,485,209	-3.33%	92,564,168	64.63%	56,225,014	-4.08%	58,617,596
34	Asset Retirement Obligation	177,339,133	4.75%	169,293,787	-10.47%	189,099,814	121.49%	85,375,725	3.87%	82,196,215	27.07%	64,684,737	10.37%	58,606,350
35	Miscellaneous Long-Term Liabilities	4,249,578	39.05%	3,056,084	-28.09%	4,249,578	-80.82%	22,159,360	-39.35%	36,535,512	-37.77%	58,713,172	-3.28%	60,707,003
36	Accumulated Deferred Income Taxes	1,326,673,686	7.65%	1,232,425,479	13.11%	1,089,626,417	27.07%	857,528,992	20.98%	708,811,163	7.89%	657,001,051	31.49%	499,655,847
37	Total Deferred Credits	<u>\$ 1,631,725,185</u>	6.79%	<u>\$1,527,923,246</u>	7.71%	<u>\$ 1,418,612,835</u>	27.42%	<u>\$ 1,113,374,805</u>	13.41%	<u>\$ 981,743,604</u>	10.23%	<u>\$ 890,614,493</u>	21.55%	<u>\$ 732,733,175</u>
38	Total Liabilities and Stockholders Equity	<u>\$ 6,268,055,444</u>	7.16%	<u>\$5,849,265,831</u>	4.25%	<u>\$ 5,610,941,402</u>	10.84%	<u>\$ 5,062,388,591</u>	18.23%	<u>\$ 4,281,778,286</u>	10.85%	<u>\$3,862,543,773</u>	7.70%	<u>\$ 3,586,372,896</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - ELECTRIC
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__BASE PERIOD __X__FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 3 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 5,676,591,232	4.14%	\$ 5,450,671,061	8.35%	\$ 5,030,493,143	7.49%	\$ 4,679,912,777	12.59%	\$ 4,156,638,319	2.90%	\$ 4,039,678,022	3.82%	\$ 3,891,118,764
4	Construction Work in Progress	301,371,033	126.07%	133,306,454	-63.41%	364,341,515	-44.17%	652,560,364	10.58%	590,138,114	199.96%	196,739,900	20.39%	163,420,425
5	Total Utility Plant	\$ 5,977,962,265	7.06%	\$ 5,583,977,515	3.51%	\$ 5,394,834,658	1.17%	\$ 5,332,473,141	12.34%	\$ 4,746,776,433	12.05%	\$ 4,236,417,922	4.49%	\$ 4,054,539,189
6	Less: Accumulated Provision for Depreciation	1,814,933,682	5.25%	1,724,451,746	2.27%	1,686,213,301	-19.84%	2,103,588,480	4.71%	2,009,012,851	4.44%	1,923,655,189	3.81%	1,853,022,115
7	Net Utility Plant	\$ 4,163,028,583	7.86%	\$ 3,859,525,769	4.07%	\$ 3,708,621,357	14.86%	\$ 3,228,884,661	17.94%	\$ 2,737,763,582	18.38%	\$ 2,312,762,733	5.05%	\$ 2,201,517,074
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 397,275	1.26%	\$ 392,328	-1.42%	\$ 397,979	-0.09%	\$ 398,341	14.41%	\$ 348,170	-32.01%	\$ 512,108	5971.95%	\$ 8,434
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	7,203,868	196.73%	2,427,787	0.00%	7,577,218	-55.92%	17,189,451	-3.92%	17,891,537	-28.49%	25,020,302	9.82%	22,783,148
13	Total Other Property and Investments	\$ 8,195,428	140.03%	\$ 3,414,401	-60.16%	\$ 8,569,483	-52.87%	\$ 18,182,078	-3.46%	\$ 18,833,993	-27.91%	\$ 26,126,696	11.72%	\$ 23,385,868
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 4,129,384	-35.47%	\$ 6,399,361	142.16%	\$ 2,642,601	-34.84%	\$ 4,055,691	26.58%	\$ 3,203,959	-43.75%	\$ 5,696,192	-71.06%	\$ 19,682,199
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	12,277
17	Working Funds	16,344	100.00%	-	100.00%	-	0.00%	-	-100.00%	16,172	2.14%	15,833	-0.21%	15,867
18	Temporary Cash Investments	-	-100.00%	949,419	-92.88%	13,331,905	195.91%	4,505,454	23.61%	3,644,846	-67.68%	11,277,136	43084.25%	26,114
19	Customer Accounts Receivable	85,046,680	12.53%	75,574,637	10.02%	68,691,671	-5.67%	72,822,240	5.62%	68,948,837	53.73%	44,850,387	-8.65%	49,097,327
20	Other Accounts Receivable	7,901,014	-17.79%	9,610,803	45.48%	6,606,449	-33.42%	9,922,165	1.46%	9,779,607	-31.37%	14,249,923	20.78%	11,797,990
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,272,351	25.29%	1,015,498	4.85%	968,528	-1.73%	985,535	-30.35%	1,414,910	86.93%	756,926	-40.11%	1,263,884
22	Accounts Receivable from Associated Companies	19,306,922	-26.27%	26,187,668	60.02%	16,365,075	-83.16%	97,189,874	89356.37%	108,645	-99.20%	13,651,496	33.53%	10,223,578
23	Fuel	38,152,019	-31.11%	55,380,534	-22.04%	71,040,238	6.72%	66,567,149	3.70%	64,191,758	5.06%	61,099,619	16.37%	52,502,546
24	Plant Materials and Operating Supplies	33,799,611	-2.15%	34,542,546	7.82%	32,038,035	-9.55%	35,420,174	-1.08%	35,806,486	9.40%	32,728,389	6.87%	30,623,996
25	Stores Expense Undistributed	6,370,490	-1.26%	6,451,607	20.66%	5,346,838	-12.92%	6,140,337	2.34%	5,999,956	2.81%	5,836,126	4.35%	5,593,072
26	Gas Stored Underground	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Prepayments	14,985,256	5.70%	14,177,087	161.59%	5,419,671	-17.39%	6,560,270	42.61%	4,600,261	-25.28%	6,156,358	24.40%	4,948,923
28	Interest, Dividends, and Rents Receivable	552,902	34.90%	409,852	-10.61%	458,490	-41.97%	790,120	40.59%	561,989	56.13%	359,951	1792.09%	19,024
29	Accrued Utility Revenues	57,436,478	27.49%	45,051,839	-7.67%	48,796,036	-5.10%	51,418,626	-5.34%	54,316,676	5.48%	51,493,552	19.53%	43,081,180
30	Miscellaneous Current Assets	-	-100.00%	116,364	20278.98%	571	-90.98%	6,329	-84.84%	41,739	-99.26%	5,630,599	224048.05%	2,512
31	Total Current and Accrued Assets	\$ 266,424,748	-2.71%	\$ 273,836,219	1.51%	\$ 269,769,052	-23.88%	\$ 354,412,894	41.88%	\$ 249,806,021	-0.98%	\$ 252,288,635	11.45%	\$ 226,362,721
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 13,437,257	12.10%	\$ 11,987,360	-9.24%	\$ 13,207,417	23.39%	\$ 10,703,425	-4.79%	\$ 11,242,141	8.67%	\$ 10,344,773	-1.71%	\$ 10,525,029
34	Other Regulatory Assets	438,241,786	12.34%	390,092,108	3.98%	375,150,037	11.08%	337,739,599	30.02%	259,767,369	-21.78%	332,093,457	7.59%	308,662,756
35	Miscellaneous Deferred Debits	7,108,995	-3.28%	7,350,042	60.49%	4,579,764	174.16%	1,670,461	21.89%	1,370,498	-28.59%	1,919,134	-75.28%	7,764,804
36	Unamortized Loss on Re-Acquired Debt	12,922,583	1.91%	12,680,560	-9.58%	14,023,987	-5.55%	14,848,744	0.02%	14,845,857	-5.66%	15,736,104	-4.96%	16,557,259
37	Accumulated Deferred Income Taxes	255,837,393	12.85%	226,710,953	3.30%	219,467,842	73.84%	126,244,055	18.97%	106,110,403	27.23%	83,397,934	276.41%	22,156,141
38	Total Deferred Debits	\$ 727,548,014	12.13%	\$ 648,821,023	3.57%	\$ 626,429,047	27.53%	\$ 491,206,284	24.88%	\$ 393,336,268	-11.31%	\$ 443,491,402	21.28%	\$ 365,665,989
39	Total Assets	\$ 5,165,196,774	7.93%	\$ 4,785,597,412	3.73%	\$ 4,613,388,939	12.72%	\$ 4,092,685,917	20.38%	\$ 3,399,739,864	12.03%	\$ 3,034,669,466	7.73%	\$ 2,816,931,652

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPARATIVE BALANCE SHEETS - ELECTRIC
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
1	LIABILITIES & PROPRIETARY CAPITAL													
2	PROPRIETARY CAPITAL													
3	Common Stock Issued	\$ 351,138,413	0.50%	\$ 349,405,055	-1.18%	\$ 353,571,725	0.98%	\$ 350,127,844	2.30%	\$ 342,262,191	2.14%	\$ 335,076,811	-0.22%	\$ 335,799,601
4	Paid in Capital	468,021,816	16.68%	401,105,376	15.64%	346,844,974	28.77%	269,351,614	97.31%	136,513,107	107.24%	65,870,579	-0.22%	66,012,668
5	(Less) Capital Stock Expense	690,341	0.50%	686,933	-1.18%	695,125	0.98%	688,354	2.30%	672,890	2.14%	658,764	-0.22%	660,185
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
7	Retained Earnings	1,016,987,654	10.94%	916,716,734	0.39%	913,119,014	7.61%	848,556,353	8.54%	781,785,024	7.46%	727,496,268	4.35%	697,173,273
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	Total Proprietary Capital	\$ 1,835,457,542	10.14%	\$1,666,540,232	3.33%	\$ 1,612,840,588	9.92%	\$ 1,467,347,457	16.47%	\$ 1,259,887,432	11.71%	\$1,127,784,894	2.68%	\$ 1,098,325,357
10	LONG-TERM DEBT													
11	Bonds	\$ 1,505,009,104	12.60%	\$1,336,552,928	-1.50%	\$ 1,356,878,164	21.72%	\$ 1,114,756,343	2.24%	\$ 1,090,294,229	25.10%	\$ 871,571,928	-0.19%	\$ 873,230,951
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
13	Total Long-Term Debt	\$ 1,505,009,104	12.60%	\$1,336,552,928	-1.50%	\$ 1,356,878,164	21.72%	\$ 1,114,756,343	2.24%	\$ 1,090,294,229	25.10%	\$ 871,571,928	-0.19%	\$ 873,230,951
14	OTHER NON-CURRENT LIABILITIES													
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
16	Accumulated Provision for Postretirement Benefits	115,603,110	10.40%	104,714,666	-4.79%	109,983,262	-6.16%	117,199,845	53.19%	76,506,477	-47.88%	146,777,786	0.97%	145,374,112
17	Total Other Non-Current Liabilities	\$ 115,603,110	10.40%	\$ 104,714,666	-4.79%	\$ 109,983,262	-6.16%	\$ 117,199,845	53.19%	\$ 76,506,477	-47.88%	\$ 146,777,786	0.97%	\$ 145,374,112
18	CURRENT AND ACCRUED LIABILITIES													
19	Notes Payable	\$ 131,724,919	46.06%	\$ 90,187,443	-22.53%	\$ 116,414,727	-46.44%	\$ 217,368,164	1250.33%	\$ 16,097,406	-62.86%	\$ 43,339,723	100.00%	\$ -
20	Accounts Payable	118,409,677	10.08%	107,566,079	-27.65%	148,680,697	-30.84%	214,965,552	45.98%	147,255,194	54.45%	95,339,107	25.09%	76,218,111
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	Accounts Payable to Associated Companies	21,332,461	8.00%	19,751,591	-4.61%	20,706,244	23.43%	16,775,909	-15.62%	19,880,669	8.51%	18,321,418	-9.13%	20,162,351
23	Customer Deposits	21,703,826	17.69%	18,440,905	-7.18%	19,867,234	-1.52%	20,174,254	8.57%	18,581,509	-1.98%	18,956,625	9.06%	17,381,203
24	Taxes Accrued	20,371,078	-67.21%	62,121,387	283.40%	16,202,943	6.65%	15,193,096	70.26%	8,923,670	794.85%	997,222	-90.81%	10,852,432
25	Interest Accrued	14,060,444	-11.92%	15,963,098	75.17%	9,112,767	88.10%	4,844,678	7.86%	4,491,573	11.33%	4,034,436	-12.32%	4,601,181
26	Tax Collections Payable	1,228,951	100.00%	-	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
27	Miscellaneous Current and Accrued Liabilities	49,350,304	-54.79%	109,147,111	91.98%	56,853,248	-14.15%	66,224,522	409.99%	12,985,373	-7.42%	14,026,497	10.00%	12,751,065
28	Total Current and Accrued Liabilities	\$ 378,181,661	-10.63%	\$ 423,177,614	9.11%	\$ 387,837,860	-30.19%	\$ 555,546,175	143.43%	\$ 228,215,394	17.02%	\$ 195,015,028	37.37%	\$ 141,966,343
29	DEFERRED CREDITS													
30	Customer Advances for Construction	\$ 1,444,019	-7.15%	\$ 1,555,216	-2.51%	\$ 1,595,197	-4.70%	\$ 1,673,955	-8.49%	\$ 1,829,256	26.82%	\$ 1,442,449	-83.68%	\$ 8,838,612
31	Accumulated Deferred Investment Tax Credits	35,287,432	-2.25%	36,098,500	4.63%	34,501,144	-3.53%	35,762,059	-5.32%	37,770,885	-5.27%	39,871,227	-5.43%	42,162,638
32	Other Deferred Credits	4,335,367	54.29%	2,809,851	-25.41%	3,767,060	-74.14%	14,566,882	-2.31%	14,910,808	106.72%	7,213,006	28.95%	5,593,678
33	Other Regulatory Liabilities	67,132,972	-0.56%	67,513,601	-5.48%	71,427,349	4.59%	68,290,372	-4.78%	71,718,999	56.38%	45,861,847	-5.66%	48,614,761
34	Asset Retirement Obligation	139,738,634	-6.48%	149,416,826	-12.39%	170,548,092	166.48%	64,000,321	6.08%	60,329,768	39.30%	43,309,603	181.68%	15,375,583
35	Miscellaneous Long-Term Liabilities	3,509,628	39.74%	2,511,490	-28.93%	3,533,949	-80.63%	18,248,233	-37.95%	29,411,087	-36.44%	46,271,851	-3.49%	47,946,391
36	Accumulated Deferred Income Taxes	1,069,765,880	7.03%	999,513,595	15.39%	866,216,968	30.34%	664,576,199	18.05%	562,983,462	8.17%	520,451,334	28.47%	405,115,907
37	Total Deferred Credits	\$ 1,321,213,931	4.91%	\$1,259,419,079	9.36%	\$ 1,151,589,759	32.81%	\$ 867,118,021	11.32%	\$ 778,954,265	10.58%	\$ 704,421,317	22.80%	\$ 573,647,570
38	Total Liabilities and Stockholders Equity	\$ 5,155,465,348	7.62%	\$4,790,404,519	3.71%	\$ 4,619,129,633	12.06%	\$ 4,121,967,841	20.04%	\$ 3,433,857,797	12.75%	\$3,045,570,953	7.52%	\$ 2,832,544,333
39	Adjustment to Balance	\$ 9,731,425		\$ (4,807,107)		\$ (5,740,694)		\$ (29,281,924)		\$ (34,117,933)		\$ (10,901,487)		\$ (15,612,681)

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED TEST PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
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B-2	PLANT IN SERVICE BY MAJOR GROUPING
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B-2.2	PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
B-2.3	GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
B-2.4	PROPERTY MERGED OR ACQUIRED
B-2.5	LEASED PROPERTY
B-2.6	PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
B-2.7	PROPERTY EXCLUDED FROM RATE BASE
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B-3.1	ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
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B-4	CONSTRUCTION WORK IN PROGRESS
B-4.1	ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
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B-5	ALLOWANCE FOR WORKING CAPITAL
B-5.1	OTHER WORKING CAPITAL COMPONENTS
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B-6	DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
B-7	JURISDICTIONAL PERCENTAGES
B-7.1	JURISDICTIONAL STATISTICS - RATE BASE
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B-8	COMPARATIVE BALANCE SHEETS

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL RATE BASE SUMMARY
AS OF FEBRUARY 28, 2017
AS OF JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SEE BELOW

SCHEDULE B-1
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG FORECAST PERIOD
			\$	\$
	GAS:			
1	Plant in Service	B-2	962,150,728	1,244,613,621
2	Property Held for Future Use	B-2.6	-	-
3	Accumulated Depreciation and Amortization	B-3	(341,367,217)	(373,470,160)
4	Net Plant in Service (Lines 1+2+3)		<u>620,783,511</u>	<u>871,143,461</u>
5	Construction Work in Progress	B-4	14,488,324	24,905,873
6	Net Plant (Lines 4+5)		<u>635,271,835</u>	<u>896,049,334</u>
7	Cash Working Capital Allowance	B-5	8,834,495	9,932,409
8	Other Working Capital Allowances	B-5	30,779,429	27,741,113
9	Customer Advances for Construction	B-6	(4,746,274)	(5,333,825)
10	Deferred Income Taxes	B-6	(165,959,492)	(222,351,273)
11	Investment Tax Credits	B-6	-	-
12	Other Items	B-6	-	-
13	Rate Base (Lines 6 through 12)		<u><u>504,179,993</u></u>	<u><u>706,037,757</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		\$		\$	\$	\$
	GAS:					
1	INTANGIBLE PLANT	387	100.000%	387	-	387
2	PRODUCTION	-	100.000%	-	-	-
3	STORAGE AND PROCESSING	162,562,015	100.000%	162,562,015	(5,180,300)	157,381,716
4	TRANSMISSION	55,466,020	100.000%	55,466,020	(2,317,417)	53,148,603
5	DISTRIBUTION	896,433,479	100.000%	896,433,479	(234,993,071)	661,440,407
6	GENERAL	12,170,790	100.000%	12,170,790	-	12,170,790
7	COMMON	78,008,824	100.000%	78,008,824	-	78,008,824
8	TOTAL GAS	<u>1,204,641,516</u>		<u>1,204,641,516</u>	<u>(242,490,788)</u>	<u>962,150,728</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 1 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
1		<u>Gas Intangible Plant</u>					
2	301	Organization	-		-	-	-
3	302	Franchises and Consents	387		387	-	387
4	303	Misc Intangible Plant	-		-	-	-
5		Total Intangible Plant	<u>387</u>		<u>387</u>	-	<u>387</u>
6		<u>Gas Storage</u>					
7	350	Land and Land Rights	134,077		134,077	-	134,077
8	351	Structures and Improvements	15,821,025		15,821,025	-	15,821,025
9	352	Wells	19,909,109		19,909,109	-	19,909,109
10	352.1	Storage Leaseholds and Rights	548,241		548,241	-	548,241
11	352.2	Reservoirs	400,511		400,511	-	400,511
12	117-352.3	Nonrecoverable Natural Gas	11,788,845		11,788,845	-	11,788,845
13	353	Lines	23,684,290		23,684,290	-	23,684,290
14	354	Compressor Station Equipment	57,189,004		57,189,004	-	57,189,004
15	355	Measuring and Regulating Equipment	1,985,204		1,985,204	-	1,985,204
16	356	Purification Equipment	22,255,506		22,255,506	-	22,255,506
17	357	Other Equipment	3,665,904		3,665,904	-	3,665,904
18	358	ARO Cost Gas UG Store	5,180,300		5,180,300	(5,180,300)	0
19		Total Gas Storage	<u>162,562,015</u>		<u>162,562,015</u>	<u>(5,180,300)</u>	<u>157,381,716</u>
20		<u>Gas Transmission</u>					
21	365	Rights of Way	220,659		220,659	-	220,659
22	367	Mains	52,927,944		52,927,944	-	52,927,944
23	372	ARO Cost Gas Transmission	2,317,417		2,317,417	(2,317,417)	-
24		Total Gas Transmission	<u>55,466,020</u>		<u>55,466,020</u>	<u>(2,317,417)</u>	<u>53,148,603</u>
25		<u>Gas Distribution</u>					
26	374	Land and Land Rights	134,497		134,497	-	134,497
27	375	Structures and Improvements	1,175,172		1,175,172	-	1,175,172
28	376	Mains	402,245,821		402,245,821	(56,199,292)	346,046,529
29	377	Compressor Station Equipment	-		-	-	-
30	378	Measuring and Regulating Station Equip-General	21,139,840		21,139,840	-	21,139,840

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

PAGE 2 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	11,741,481		11,741,481	-	11,741,481
32	380	Services	372,198,873		372,198,873	(167,231,994)	204,966,878
33	381	Meters	49,210,166		49,210,166	-	49,210,166
34	383	House Regulators	26,014,045		26,014,045	-	26,014,045
35	385	Industrial Measuring and Regulating Equip	960,687		960,687	-	960,687
36	387	Other Equipment	51,112		51,112	-	51,112
37	388	ARO Cost Gas Distribution	11,561,784		11,561,784	(11,561,784)	-
38		Total Gas Distribution	896,433,479		896,433,479	(234,993,071)	661,440,407
39	G	Gas General Plant					
40	389	Land and Land Rights	-		-	-	-
41	390	Structures and Improvements	-		-	-	-
42	391	Office Furniture and Equipment	-		-	-	-
43	392	Transportation Equipment	1,798,292		1,798,292	-	1,798,292
44	393	Stores Equipment	-		-	-	-
45	394	Tools, Shop, and Garage Equipment	6,840,910		6,840,910	-	6,840,910
46	395	Laboratory Equipment	-		-	-	-
47	396	Power Operated Equipment	3,531,588		3,531,588	-	3,531,588
48	397	Communication Equipment	-		-	-	-
49	398	Miscellaneous Equipment	-		-	-	-
50		Total Gas General Plant	12,170,790		12,170,790	-	12,170,790
51	C	Common Plant (1)					
52	301	Organization	25,135		25,135	-	25,135
53	302	Franchises and Consents	-		-	-	-
54	303	Misc Intangible Plant	30,189,389		30,189,389	-	30,189,389
55	389	Land and Land Rights	469,318		469,318	-	469,318
56	390	Structures and Improvements	24,015,720		24,015,720	-	24,015,720
57	391	Office Furniture and Equipment	11,041,035		11,041,035	-	11,041,035
58	392	Transportation Equipment	82,253		82,253	-	82,253
59	393	Stores Equipment	441,323		441,323	-	441,323
60	394	Tools, Shop, and Garage Equipment	1,219,962		1,219,962	-	1,219,962
61	395	Laboratory Equipment	-		-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.1

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT / SUBACCOUNT TITLES	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	<u>100%</u>	\$	\$	\$
62	396	Power Operated Equipment	102,776		102,776	-	102,776
63	397	Communication Equipment	10,421,913		10,421,913	-	10,421,913
64	398	Miscellaneous Equipment	-		-	-	-
65	399	ARO Cost Common	-		-	-	-
66		Total Common Plant allocated to Gas	<u>78,008,824</u>		<u>78,008,824</u>	-	<u>78,008,824</u>
67		TOTAL GAS PLANT IN SERVICE	<u>1,204,641,516</u>		<u>1,204,641,516</u>	(242,490,788)	<u>962,150,728</u>

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			\$		\$		
1	358	ARO Cost Gas UG Store	(5,180,300)	100.000%	(5,180,300)		ARO amounts excluded from rate base
2	372	ARO Cost Gas Transmission	(2,317,417)	100.000%	(2,317,417)		ARO amounts excluded from rate base
3	376	Mains	(56,199,292)	100.000%	(56,199,292)		GLT amounts excluded from rate base
4	380	Services	(167,231,994)	100.000%	(167,231,994)		GLT amounts excluded from rate base
5	388	ARO Cost Gas Distribution	(11,561,784)	100.000%	(11,561,784)		ARO amounts excluded from rate base
6		TOTAL ADJUSTMENTS	<u>(242,490,788)</u>		<u>(242,490,788)</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3

PAGE 1 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>Gas Intangible Plant</u>					
2	301	Organization	-	-	-	-	-
3	302	Franchises and Consents	387	-	-	-	387
4	303	Misc Intangible Plant	-	-	-	-	-
5		Total Intangible Plant	387	-	-	-	387
6		<u>Gas Storage</u>					
7	350	Land and Land Rights	137,734	-	-	(3,657)	134,077
8	351	Structures and Improvements	14,937,157	896,639	(12,771)	-	15,821,025
9	352	Wells	19,130,528	778,581	-	-	19,909,109
10	352.1	Storage Leaseholds and Rights	548,241	-	-	-	548,241
11	352.2	Reservoirs	400,511	-	-	-	400,511
12	117-352.3	Nonrecoverable Natural Gas	11,788,845	-	-	-	11,788,845
13	353	Lines	21,951,171	1,737,974	(4,855)	-	23,684,290
14	354	Compressor Station Equipment	47,688,419	9,876,843	(376,259)	-	57,189,004
15	355	Measuring and Regulating Equipment	1,749,309	235,895	-	-	1,985,204
16	356	Purification Equipment	19,845,188	2,444,642	(34,324)	-	22,255,506
17	357	Other Equipment	3,154,110	513,852	(4,876)	2,817	3,665,904
18	358	ARO Cost Gas UG Store	4,437,148	747,602	(4,450)	-	5,180,300
19		Total Gas Storage	145,768,362	17,232,028	(437,535)	(840)	162,562,015
20		<u>Gas Transmission</u>					
21	365	Rights of Way	220,659	-	-	-	220,659
22	367	Mains	51,029,183	1,985,706	(86,944)	-	52,927,944
23	372	ARO Cost Gas Transmission	2,332,005	(1,269)	(13,319)	-	2,317,417
24		Total Gas Transmission	53,581,847	1,984,437	(100,263)	-	55,466,020
25		<u>Gas Distribution</u>					
26	374	Land and Land Rights	134,497	-	-	-	134,497
27	375	Structures and Improvements	1,144,992	22,511	(4,406)	12,074	1,175,172
28	376	Mains	384,848,434	17,562,696	(165,309)	-	402,245,821
29	377	Compressor Station Equipment	-	-	-	-	-
30	378	Measuring and Regulating Station Equip-General	17,577,946	3,576,838	(14,944)	-	21,139,840

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.3

PAGE 2 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	7,283,688	4,482,677	(24,884)	-	11,741,481
32	380	Services	331,192,075	48,041,281	(7,034,483)	-	372,198,873
33	381	Meters	47,492,834	2,563,920	(846,588)	-	49,210,166
34	383	House Regulators	25,550,380	647,586	(183,921)	-	26,014,045
35	385	Industrial Measuring and Regulating Equip	960,687	-	-	-	960,687
36	387	Other Equipment	51,112	-	-	-	51,112
37	388	ARO Cost Gas Distribution	10,476,132	1,567,126	(481,473)	-	11,561,784
38		Total Gas Distribution	826,712,778	78,464,635	(8,756,009)	12,074	896,433,479
39	G	Gas General Plant					
40	389	Land and Land Rights	-	-	-	-	-
41	390	Structures and Improvements	-	-	-	-	-
42	391	Office Furniture and Equipment	-	-	-	-	-
43	392	Transportation Equipment	1,527,002	273,463	(2,173)	-	1,798,292
44	393	Stores Equipment	-	-	-	-	-
45	394	Tools, Shop, and Garage Equipment	6,716,457	363,349	(245,638)	6,742	6,840,910
46	395	Laboratory Equipment	-	-	-	-	-
47	396	Power Operated Equipment	3,161,883	519,047	(146,257)	(3,085)	3,531,588
48	397	Communication Equipment	-	-	-	-	-
49	398	Miscellaneous Equipment	-	-	-	-	-
50		Total Gas General Plant	11,405,342	1,155,860	(394,068)	3,657	12,170,790
51	C	Common Plant (1)					
52	301	Organization	25,135	-	-	-	25,135
53	302	Franchises and Consents	-	-	-	-	-
54	303	Misc Intangible Plant	28,952,365	3,386,568	(2,149,545)	-	30,189,389
55	389	Land and Land Rights	529,947	-	-	(60,628)	469,318
56	390	Structures and Improvements	23,360,905	710,856	(113,047)	57,006	24,015,720
57	391	Office Furniture and Equipment	11,699,182	1,171,741	(1,829,887)	-	11,041,035
58	392	Transportation Equipment	84,564	-	(2,311)	-	82,253
59	393	Stores Equipment	449,430	(8,107)	-	-	441,323
60	394	Tools, Shop, and Garage Equipment	1,197,777	23,030	-	(845)	1,219,962
61	395	Laboratory Equipment	-	-	-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM MARCH 1, 2016 TO FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
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SCHEDULE B-2.3

PAGE 3 OF 6

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	BASE PERIOD ENDING BALANCE
			\$	\$	\$	\$	\$
62	396	Power Operated Equipment	94,669	8,107	-	-	102,776
63	397	Communication Equipment	13,846,590	893,835	(4,318,512)	-	10,421,913
64	398	Miscellaneous Equipment	-	-	-	-	-
65	399	ARO Cost Common	-	-	-	-	-
66		Total Common Plant allocated to Gas	80,240,564	6,186,030	(8,413,302)	(4,468)	78,008,824
67		TOTAL GAS PLANT IN SERVICE	1,117,709,280	105,022,989	(18,101,177)	10,424	1,204,641,516

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PROPERTY MERGED OR ACQUIRED
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.4

PAGE 1 OF 2

WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPERTY	ACQUISITION COST	COST BASIS	ACQUISITION ADJUSTMENT	COMMISSION APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	EXPLANATION OF TREATMENT
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THE COMPANY HAS NOT MERGED OR ACQUIRED PROPERTY FROM OTHER THAN AFFILIATED COMPANIES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
LEASED PROPERTY
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	IDENTIFICATION OR REFERENCE NUMBER	DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLANATION METHOD OF CAPITALIZATION
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THE COMPANY DOES NOT HAVE ANY CAPITAL LEASES.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION AND LOCATION OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	REVENUE REALIZED			EXPENSES INCURRED	
						AMOUNT	ACCT NO.	DESCRIPTION	AMOUNT	ACCT NO.
			\$	\$	\$	\$				\$

NONE

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF FEBRUARY 28, 2017

DATA: __X__BASE PERIOD__FORECASTED PERIOD
TYPE OF FILING: ____ORIGINAL __X__UPDATED ____REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-2.7
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	PERIOD REVENUE AND EXPENSE			REASONS FOR EXCLUSION
							AMOUNT	ACCT NO.	DESCRIPTION	
1		Land and Land Rights:		\$	\$	\$	\$			
2	121	Former Camp Taylor Substation - Tract No. D15	17-Dec-1939	29		1	27			Non-utility property not included in rate base
3	121	West Eastwood Distribution Substation	1-Sep-1978	21,927			21,927			Non-utility property not included in rate base
4	121	West Eastwood Distribution Substation	5-Oct-2010	455,614			455,614			Non-utility property not included in rate base
5	121	943 Fetter Avenue - Tract No. F8-1	7-Feb-1941	332			332			Non-utility property not included in rate base
6	121	Former Strawberry Lane Substation - Tract No. F43	11-Jul-1955	1,074			1,074			Non-utility property not included in rate base
7	121	Former Plymouth Substation - Tract No. D70	26-Sep-1956	3,291			3,291			Non-utility property not included in rate base
8	121	Standard Avenue Substation - Tract No. D124	21-Mar-1973	5,677			5,677			Non-utility property not included in rate base
9	121	3842 Grand Avenue - Tract No. F19-2	30-Jun-1942	269			269			Non-utility property not included in rate base
10	121	10th St. & Ormsby - Tract No. F3-1	31-Mar-2001	50,000			50,000			Non-utility property not included in rate base
11	121	Russell Corner - Tract No. D143	23-Oct-1979	28,633			28,633			Non-utility property not included in rate base
12	121	Cherry Hill Coal Mine - Tract No. K2	30-Jun-1940	185			185			Non-utility property not included in rate base
13	121	Cherry Hill Coal Mine - Tract No. K4	30-Jun-1940	15			15			Non-utility property not included in rate base
14	121	Cherry Hill Coal Mine - Tract No. K5	30-Jun-1940	48			48			Non-utility property not included in rate base
15	121	Cherry Hill Coal Mine - Tract No. K6	30-Jun-1940	192			192			Non-utility property not included in rate base
16	121	Cherry Hill Coal Mine - Tract No. K12	30-Jun-1966	250			250			Non-utility property not included in rate base
17	121	Cherry Hill Coal Mine - Mineral Rights Tract No. K1B	17-Jun-1954	31,483	31,483		-			Non-utility property not included in rate base
18	121	Cherry Hill Coal Mine - Mineral Rights	29-Jul-1940	31,628	31,628		-			Non-utility property not included in rate base
19	121	Cherry Hill Coal Mine - Right of Way	30-Jun-1940	250	250		-			Non-utility property not included in rate base
20		TOTAL		630,897	63,362	567,535	-			Non-utility property not included in rate base

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 1 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	<u>100%</u>	\$	\$	\$
1		<u>Gas Intangible Plant</u>						
2	301	Organization	-	-		-	-	-
3	302	Franchises and Consents	387	(171)		(171)	-	(171)
4	303	Misc Intangible Plant	-	-		-	-	-
5		Total Intangible Plant	387	(171)		(171)	-	(171)
6		<u>Gas Storage</u>						
7	350	Land and Land Rights	134,077	(69,842)		(69,842)	-	(69,842)
8	351	Structures and Improvements	15,821,025	(2,396,132)		(2,396,132)	-	(2,396,132)
9	352	Wells	19,909,109	(4,661,278)		(4,661,278)	-	(4,661,278)
10	352.1	Storage Leaseholds and Rights	548,241	(569,590)		(569,590)	-	(569,590)
11	352.2	Reservoirs	400,511	(452,027)		(452,027)	-	(452,027)
12	117-352.3	Nonrecoverable Natural Gas	11,788,845	(8,194,836)		(8,194,836)	-	(8,194,836)
13	353	Lines	23,684,290	(8,755,612)		(8,755,612)	-	(8,755,612)
14	354	Compressor Station Equipment	57,189,004	(7,128,884)		(7,128,884)	-	(7,128,884)
15	355	Measuring and Regulating Equipment	1,985,204	(262,825)		(262,825)	-	(262,825)
16	356	Purification Equipment	22,255,506	(5,718,192)		(5,718,192)	-	(5,718,192)
17	357	Other Equipment	3,665,904	(509,692)		(509,692)	-	(509,692)
18	358	ARO Cost Gas UG Store	5,180,300	735,848		735,848	(735,848)	-
19		Total Gas Storage	162,562,015	(37,983,062)		(37,983,062)	(735,848)	(38,718,910)
20		<u>Gas Transmission</u>						
21	365	Rights of Way	220,659	(210,904)		(210,904)	-	(210,904)
22	367	Mains	52,927,944	(11,362,116)		(11,362,116)	-	(11,362,116)
23	372	ARO Cost Gas Transmission	2,317,417	(231,083)		(231,083)	231,083	-
24		Total Gas Transmission	55,466,020	(11,804,103)		(11,804,103)	231,083	(11,573,020)
25		<u>Gas Distribution</u>						
26	374	Land and Land Rights	134,497	(77,440)		(77,440)	-	(77,440)
27	375	Structures and Improvements	1,175,172	(364,893)		(364,893)	-	(364,893)
28	376	Mains	402,245,821	(131,039,969)		(131,039,969)	2,845,327	(128,194,643)
29	377	Compressor Station Equipment	-	-		-	-	-
30	378	Measuring and Regulating Station Equip-General	21,139,840	(2,508,449)		(2,508,449)	-	(2,508,449)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3
PAGE 2 OF 6
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	RESERVE BALANCES					
			BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	100%	\$	\$	\$
31	379	Measuring and Regulating Station Equip-City Gate	11,741,481	(1,312,980)		(1,312,980)	-	(1,312,980)
32	380	Services	372,198,873	(99,783,605)		(99,783,605)	5,731,518	(94,052,087)
33	381	Meters	49,210,166	(13,279,943)		(13,279,943)	-	(13,279,943)
34	383	House Regulators	26,014,045	(4,633,761)		(4,633,761)	-	(4,633,761)
35	385	Industrial Measuring and Regulating Equip	960,687	(221,223)		(221,223)	-	(221,223)
36	387	Other Equipment	51,112	(27,689)		(27,689)	-	(27,689)
37	388	ARO Cost Gas Distribution	11,561,784	141,055		141,055	(141,055)	-
38		Total Gas Distribution	896,433,479	(253,108,898)		(253,108,898)	8,435,790	(244,673,108)
39	G	Gas General Plant						
40	389	Land and Land Rights	-	-		-	-	-
41	390	Structures and Improvements	-	-		-	-	-
42	391	Office Furniture and Equipment	-	-		-	-	-
43	392	Transportation Equipment	1,798,292	(856,792)		(856,792)	-	(856,792)
44	393	Stores Equipment	-	-		-	-	-
45	394	Tools, Shop, and Garage Equipment	6,840,910	(2,659,781)		(2,659,781)	-	(2,659,781)
46	395	Laboratory Equipment	-	-		-	-	-
47	396	Power Operated Equipment	3,531,588	(2,372,056)		(2,372,056)	-	(2,372,056)
48	397	Communication Equipment	-	-		-	-	-
49	398	Miscellaneous Equipment	-	-		-	-	-
50		Total Gas General Plant	12,170,790	(5,888,630)		(5,888,630)	-	(5,888,630)
51	C	Common Plant (1)						
52	301	Organization	25,135	-		-	-	-
53	302	Franchises and Consents	-	-		-	-	-
54	303	Misc Intangible Plant	30,189,389	(15,965,306)		(15,965,306)	-	(15,965,306)
55	389	Land and Land Rights	469,318	-		-	-	-
56	390	Structures and Improvements	24,015,720	(10,536,472)		(10,536,472)	-	(10,536,472)
57	391	Office Furniture and Equipment	11,041,035	(4,843,548)		(4,843,548)	-	(4,843,548)
58	392	Transportation Equipment	82,253	(62,587)		(62,587)	-	(62,587)
59	393	Stores Equipment	441,323	(278,578)		(278,578)	-	(278,578)
60	394	Tools, Shop, and Garage Equipment	1,219,962	(672,496)		(672,496)	-	(672,496)
61	395	Laboratory Equipment	-	-		-	-	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

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PAGE 3 OF 6
WITNESS: C. M. GARRETT

			RESERVE BALANCES					
LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$	\$	<u>100%</u>	\$	\$	\$
62	396	Power Operated Equipment	102,776	(91,592)		(91,592)	-	(91,592)
63	397	Communication Equipment	10,421,913	(8,062,798)		(8,062,798)	-	(8,062,798)
64	398	Miscellaneous Equipment	-	-		-	-	-
65	399	ARO Cost Common	-	-		-	-	-
66		Total Common Plant allocated to Gas	<u>78,008,824</u>	<u>(40,513,378)</u>		<u>(40,513,378)</u>	-	<u>(40,513,378)</u>
67		TOTAL GAS PLANT	<u>1,204,641,516</u>	<u>(349,298,241)</u>		<u>(349,298,241)</u>	7,931,024	<u>(341,367,217)</u>

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL	JURISDICTIONAL PERCENT	JURISDICTIONAL	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
			COMPANY ADJUSTMENT		ADJUSTMENTS		
			\$		\$		
1	358	ARO Cost Gas UG Store	(735,848)	100.000%	(735,848)		ARO amounts excluded from rate base
2	372	ARO Cost Gas Transmission	231,083	100.000%	231,083		ARO amounts excluded from rate base
3	376	Mains	2,845,327	100.000%	2,845,327		GLT amounts excluded from rate base
4	380	Services	5,731,518	100.000%	5,731,518		GLT amounts excluded from rate base
5	388	ARO Cost Gas Distribution	(141,055)	100.000%	(141,055)		ARO amounts excluded from rate base
6		TOTAL ADJUSTMENTS	<u>7,931,024</u>		<u>7,931,024</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	ADJUSTED JURISDICTION		ACCRUAL RATE	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM
			PLANT INVESTMENT	ACCUMULATED BALANCE					
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
			\$	\$		\$			
1		<u>Gas Intangible Plant</u>							
2	301	Organization	-	-		-			
3	302	Franchises and Consents	387	171	10.58%	41	-	-	20-SQ
4	303	Misc Intangible Plant	-	-		-			
5		Total Intangible Plant	387	171		41			
6		<u>Gas Storage</u>							
7	350	Land and Land Rights	134,077	69,842	0.56%	746	-	47.3	50-R4
8	351	Structures and Improvements	15,821,025	2,396,132	1.94%	307,699	-5%,-10%	43.7-53.5	50-R3, 50-R2.5
9	352	Wells	19,909,109	4,661,278	2.28%	454,291	-20%	34.4-35.4	45-R1.5, 55-R2.5
10	352.1	Storage Leaseholds and Rights	548,241	569,590	0.00%	-	0%	-	65-R4
11	352.2	Reservoirs	400,511	452,027	0.00%	-	0%	-	55-R4
12	352.3	Nonrecoverable Natural Gas	11,788,845	8,194,836	0.83%	98,299	0%	23.3	50-SQ
13	353	Lines	23,684,290	8,755,612	1.82%	432,032	-10%	33.4	45-S1
14	354	Compressor Station Equipment	57,189,004	7,128,884	2.37%	1,352,610	-5%	33.3	45-S0.5
15	355	Measuring and Regulating Equipment	1,985,204	262,825	1.53%	30,335	-5%	33.4	40-R1
16	356	Purification Equipment	22,255,506	5,718,192	1.97%	438,250	-15%	35.9	45-R2.5
17	357	Other Equipment	3,665,904	509,692	2.25%	82,401	-5%	37.3	45-R2
18	358	ARO Cost Gas UG Store	0	-		-			
19		Total Gas Storage	157,381,716	38,718,910		3,196,663			
20		<u>Gas Transmission</u>							
21	365	Rights of Way	220,659	210,904	0.163%	359	0%	33	65-S3
22	367	Mains	52,927,944	11,362,116	0.790%	417,992	-10%	58	65-R2.5
23	372	ARO Cost Gas Transmission	-	-		-			
24		Total Gas Transmission	53,148,603	11,573,020		418,351			
25		<u>Gas Distribution</u>							
26	374	Land and Land Rights	134,497	77,440	0.000%	-	0%	-	65-S3
27	375	Structures and Improvements	1,175,172	364,893	3.707%	43,560	-5%	12.9-50.4	35-L2, 55-R3
28	376	Mains	346,046,529	128,194,643	1.892%	6,547,673	-30%	51	65-S2
29	377	Compressor Station Equipment	-	-		-			
30	378	Measuring and Regulating Station Equip-General	21,139,840	2,508,449	2.579%	545,278	-10%	34	41-S0
31	379	Gate	11,741,481	1,312,980	2.120%	248,941	-15%	36	45-R1
32	380	Services	204,966,878	94,052,087	3.786%	7,759,302	-60%	33	42-S0.5
33	381	Meters	49,210,166	13,279,943	4.027%	1,981,916	0%	20	28-R2
34	383	House Regulators	26,014,045	4,633,761	4.100%	1,066,560	-10%	26	30-R3
35	385	Industrial Measuring and Regulating Equip	960,687	221,223	2.853%	27,409	-5%	33	40-S2.5
36	387	Other Equipment	51,112	27,689	2.778%	1,420	0%	22	40-S2
37	388	ARO Cost Gas Distribution	-	-		-			
38		Total Gas Distribution	661,440,407	244,673,108		18,222,057			

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-3.2
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR MAJOR PROPERTY GROUPING	ADJUSTED JURISDICTION		ACCRUAL RATE	CALCULATED DEPRECIATION EXPENSE (G=DxF)	% NET SALVAGE	REMAINING SERVICE LIFE	CURVE FORM
			PLANT INVESTMENT (D)	ACCUMULATED BALANCE (E)					
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)	(H)	(I)	(J)
39	G	Gas General Plant							
40	389	Land and Land Rights	-	-		-			
41	390	Structures and Improvements	-	-		-			
42	391	Office Furniture and Equipment	-	-		-			
43	392	Transportation Equipment	1,798,292	856,792	2.778%	49,961	0%,5%	6.3-12.4	7-L2.5, 14-S1.5, 20-S1
44	393	Stores Equipment	-	-		-			
45	394	Tools, Shop, and Garage Equipment	6,840,910	2,659,781	4.659%	318,711	0%	14	25-SQ
46	395	Laboratory Equipment	-	-		-			
47	396	Power Operated Equipment	3,531,588	2,372,056	1.516%	53,538	0%,5%	11.3-12.6	12-L1.5, 8-L2, 17-L3
48	397	Communication Equipment	-	-	13.140%	-	0%	4	10-SQ
49	398	Miscellaneous Equipment	-	-		-			
50		Total Gas General Plant	12,170,790	5,888,630		422,210			
51	C	Common Plant (1)							
52	301	Organization	25,135	-		-			
53	302	Franchises and Consents	-	-		-			
54	303	Misc Intangible Plant	30,189,389	15,965,306	11.119%	3,356,873	0%	3.8-7.5	5-SQ, SQUARE
55	389	Land and Land Rights	469,318	-		-			
56	390	Structures and Improvements	24,015,720	10,536,472	3.250%	780,511	-5%,-10%	15.1-35.8	35-R2, 30-R1.5, 45-R3, 45-R0.5
57	391	Office Furniture and Equipment	11,041,035	4,843,548	10.440%	1,152,684	0%	2.2-6.6	4-SQ, 5-SQ, 10-SQ, 15-SQ, 20-SQ
58	392	Transportation Equipment	82,253	62,587	9.775%	8,041	0%,5%	6.0-9.6	7-L2.5, 14S1.5, 20-S1
59	393	Stores Equipment	441,323	278,578	5.820%	25,685	0%	9	25-SQ
60	394	Tools, Shop, and Garage Equipment	1,219,962	672,496	5.040%	61,486	0%	14	25-SQ
61	395	Laboratory Equipment	-	-		-			
62	396	Power Operated Equipment	102,776	91,592	1.434%	1,474	0%,10%	3.7-10.6	12-L1.5, 17-L3
63	397	Communication Equipment	10,421,913	8,062,798	11.333%	1,181,155	0%	3.5-25.9	10-SQ, 25-S1, 28-R2, 35-R2
64	398	Miscellaneous Equipment	-	-	0.000%	-			
65	399	ARO Cost Common	-	-		-			
66		Total Common Plant allocated to Gas	78,008,824	40,513,378		6,567,909			
67		TOTAL GAS PLANT	962,150,728	341,367,217		28,827,231			

(1) 30% Common Plant allocated to Gas

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	ACCUMULATED COSTS			TOTAL COSTS	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
		CONSTRUCTION AMOUNT	AFUDC CAPITALIZED	INDIRECT COSTS					
		\$	\$	\$	\$	\$	\$	\$	
GAS:									
1	PRODUCTION	-	-	-	-	100.000%	-	-	-
2	STORAGE AND PROCESSING	1,367,090	-	-	1,367,090	100.000%	1,367,090	-	1,367,090
3	TRANSMISSION	601,218	-	-	601,218	100.000%	601,218	(38,204)	563,014
4	DISTRIBUTION	5,663,513	-	-	5,663,513	100.000%	5,663,513	(2,326)	5,661,186
5	GENERAL	969,864	-	-	969,864	100.000%	969,864	-	969,864
6	COMMON	5,927,169	-	-	5,927,169	100.000%	5,927,169	-	5,927,169
7	TOTAL GAS	<u>14,528,854</u>	-	-	<u>14,528,854</u>		<u>14,528,854</u>	<u>(40,530)</u>	<u>14,488,324</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ADJUSTMENTS TO CONSTRUCTION WORK IN PROGRESS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-4.1
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	MAJOR PROPERTY GROUPING	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
		\$		\$		
	GAS:					
1	PRODUCTION		100.000%	-		
2	STORAGE AND PROCESSING		100.000%	-		
3	TRANSMISSION	(38,204)	100.000%	(38,204)		GLT amounts excluded from rate base
4	DISTRIBUTION	(2,326)	100.000%	(2,326)		GLT amounts excluded from rate base
5	GENERAL		100.000%	-		
6	COMMON		100.000%	-		

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
ALLOWANCE FOR WORKING CAPITAL
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT	WORKPAPER REFERENCE NO.	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
				\$		\$
	GAS:					
1	GAS STORED UNDERGROUND	13 MONTH AVERAGE BALANCE	B-5.1	27,393,893	100.000%	27,393,893
2	MATERIAL AND SUPPLIES	13 MONTH AVERAGE BALANCE	B-5.1	1,067,229	100.000%	1,067,229
3	PREPAYMENTS (a)	13 MONTH AVERAGE BALANCE	B-5.1	2,318,307	100.000%	2,318,307
4	OTHER	13 MONTH AVERAGE BALANCE	B-5.1	-	100.000%	-
5	CASH WORKING CAPITAL	1/8 O&M METHOD LESS GAS SUPPLY EXPENSE	B-5.2	8,834,495	100.000%	8,834,495
6	TOTAL WORKING CAPITAL REQUIREMENTS			39,613,924		39,613,924

(a) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
OTHER WORKING CAPITAL COMPONENTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

SCHEDULE B-5.1

TYPE OF FILING: ORIGINAL UPDATED REVISED

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WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	GAS:			
1	GAS STORED UNDERGROUND	27,393,893	100.000%	27,393,893
2	MATERIAL AND SUPPLIES	1,067,229	100.000%	1,067,229
3	PREPAYMENTS (a)	2,318,307	100.000%	2,318,307
4	OTHER	-	100.000%	-
5	TOTAL OTHER WORKING CAPITAL	<u>30,779,429</u>		<u>30,779,429</u>

(a) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
CASH WORKING CAPITAL COMPONENTS
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-5.2
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL AMOUNT
		\$		\$
	GAS:			
1	OPERATING AND MAINTENANCE EXPENSE	171,595,816	100.000%	171,595,816
2	GAS SUPPLY EXPENSES	<u>100,919,855</u>	100.000%	<u>100,919,855</u>
3	O&M LESS GAS SUPPLY EXPENSE (LINE 1 - 2)	<u>70,675,961</u>		<u>70,675,961</u>
4	CASH WORKING CAPITAL (12.5% OF LINE 3)	<u>8,834,495</u>		<u>8,834,495</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-6
PAGE 1 OF 2
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	BASE PERIOD TOTAL COMPANY	JURIS. PERCENT	JURISDICTIONAL TOTAL	ADJUSTMENTS	ADJUSTED JURISDICTION
			\$		\$	\$	\$
1	252	Customer Advances for Construction	4,746,274	100.000%	4,746,274	-	4,746,274
2	255	Deferred Investment Tax Credits		100.000%	-	-	-
3	190, 282, 283	Deferred Income Taxes (a)	202,179,218	100.000%	202,179,218	(36,219,726)	165,959,492

(a) Adjustment reflects GLT jurisdictional amounts.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL PERCENTAGE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	JURIS. PERCENT	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL STATISTICS - RATE BASE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7.1
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WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	STATISTIC TOTAL COMPANY	ADJUSTMENT TO TOTAL COMPANY STATISTIC	ADJUSTED STATISTIC FOR TOTAL COMPANY	STATISTIC FOR RATE AREA	ALLOCATION FACTOR %
(A)	(B)	(C)	(D)	(E=C+D)	(F)	(G=F/E)

ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES - RATE BASE
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-7.2
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	DESCRIPTION	PROCEDURES APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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ALL DATA 100% JURISDICTIONAL

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: __ __ ORIGINAL __X__ UPDATED __ __ REVISSED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 1 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST		BASE PERIOD		2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
		PERIOD	% CHANGE	PERIOD	% CHANGE									
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 6,959,365,809	4.53%	\$ 6,657,889,866	8.55%	\$ 6,133,579,940	7.49%	\$ 5,706,441,994	12.55%	\$ 5,070,053,264	3.81%	\$ 4,883,776,677	4.31%	\$ 4,682,019,555
4	Construction Work in Progress	331,294,179	123.86%	147,991,451	-62.04%	389,846,497	-42.36%	676,320,025	3.82%	651,432,116	152.14%	258,364,758	20.02%	215,276,377
5	Total Utility Plant	\$ 7,290,659,988	7.12%	\$ 6,805,881,317	4.33%	\$ 6,523,426,437	2.20%	\$ 6,382,762,019	11.56%	\$ 5,721,485,380	11.27%	\$ 5,142,141,435	5.00%	\$ 4,897,295,932
6	Less: Accumulated Provision for Depreciation	2,191,150,623	5.59%	2,075,099,154	2.93%	2,015,937,461	-16.59%	2,416,826,220	4.89%	2,304,132,232	4.65%	2,201,756,057	3.96%	2,117,873,453
7	Net Utility Plant	\$ 5,099,509,365	7.79%	\$ 4,730,782,163	4.95%	\$ 4,507,488,976	13.66%	\$ 3,965,935,799	16.05%	\$ 3,417,353,148	16.22%	\$ 2,940,385,378	5.79%	\$ 2,779,422,479
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 567,535	0.00%	\$ 567,537	0.00%	\$ 567,535	-0.09%	\$ 568,052	16.07%	\$ 489,421	-7.14%	\$ 527,050	4336.82%	\$ 11,879
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286	0.00%	594,286
12	Special Funds	8,722,690	195.26%	2,954,231	-67.58%	9,111,614	-56.35%	20,873,650	-6.08%	22,225,512	-29.99%	31,747,624	10.06%	28,846,731
13	Total Other Property and Investments	\$ 9,884,511	140.15%	\$ 4,116,054	-59.93%	\$ 10,273,435	-53.38%	\$ 22,035,988	-5.46%	\$ 23,309,219	-29.08%	\$ 32,868,960	11.60%	\$ 29,452,896
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 5,000,000	-31.77%	\$ 7,328,410	166.54%	\$ 2,749,464	-38.51%	\$ 4,471,662	28.95%	\$ 3,467,771	-52.96%	\$ 7,372,093	-70.42%	\$ 24,920,485
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	12,277
17	Working Funds	19,790	100.00%	-	100.00%	-	0.00%	-	-100.00%	20,090	0.00%	20,090	0.00%	20,090
18	Temporary Cash Investments	-	-100.00%	1,155,292	-92.79%	16,031,632	192.71%	5,476,948	20.79%	4,534,363	-68.33%	14,316,601	43199.66%	33,064
19	Customer Accounts Receivable	105,845,277	-7.14%	113,988,030	22.80%	92,825,487	-14.15%	108,131,123	5.29%	102,699,350	70.17%	60,350,235	-2.38%	61,822,664
20	Other Accounts Receivable	9,566,819	-0.97%	9,660,600	41.71%	6,817,320	-32.73%	10,134,328	2.03%	9,932,730	-38.38%	16,118,221	24.49%	12,947,354
21	Less: Accum Prov. for Uncollectable Accts-Credit	1,540,607	6.08%	1,452,301	22.59%	1,184,713	-25.68%	1,594,049	-12.84%	1,828,848	50.15%	1,218,026	-33.66%	1,835,907
22	Accounts Receivable from Associated Companies	23,378,019	-10.81%	26,210,135	60.06%	16,375,434	-83.15%	97,209,024	89299.94%	108,735	-99.20%	13,662,418	25.15%	10,916,898
23	Fuel	38,152,019	-31.11%	55,380,534	-22.04%	71,040,238	6.72%	66,567,149	3.70%	64,191,758	5.06%	61,099,619	16.37%	52,502,546
24	Plant Materials and Operating Supplies	34,072,187	-1.39%	34,552,804	7.81%	32,048,293	-9.55%	35,430,432	-1.08%	35,816,744	9.44%	32,727,610	6.86%	30,625,941
25	Stores Expense Undistributed	6,421,865	-5.92%	6,826,256	23.07%	5,546,728	-12.69%	6,352,862	2.68%	6,186,832	5.59%	5,860,024	4.71%	5,596,506
26	Gas Stored Underground	24,895,211	3.83%	23,976,876	-43.01%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888	13.18%	42,010,154	-21.16%	53,287,605
27	Prepayments	17,690,067	4.53%	16,924,163	161.48%	6,472,537	-15.25%	7,636,886	48.99%	5,125,670	-26.53%	6,976,761	27.49%	5,472,353
28	Interest, Dividends, and Rents Receivable	669,472	63.18%	410,267	-10.60%	458,910	-41.95%	790,509	40.58%	562,307	55.80%	360,905	1150.23%	28,867
29	Accrued Utility Revenues	71,482,860	16.11%	61,562,901	-8.17%	67,041,506	-12.22%	76,374,354	-10.31%	85,152,363	18.03%	72,143,278	11.96%	64,436,527
30	Miscellaneous Current Assets	-	-100.00%	116,364	20278.98%	571	-90.98%	6,329	-84.84%	41,739	-99.42%	7,144,047	284296.78%	2,512
31	Total Current and Accrued Assets	\$ 335,652,980	-5.88%	\$ 356,640,331	-0.46%	\$ 358,291,967	-23.95%	\$ 471,138,936	29.59%	\$ 363,558,492	7.26%	\$ 338,944,030	5.66%	\$ 320,789,782
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 16,270,975	11.30%	\$ 14,618,731	-7.95%	\$ 15,881,935	22.19%	\$ 12,997,480	-6.93%	\$ 13,965,458	6.39%	\$ 13,126,319	-1.50%	\$ 13,326,195
34	Other Regulatory Assets	499,833,667	8.83%	459,288,466	5.73%	434,413,097	5.79%	410,620,298	31.33%	312,656,793	-23.46%	408,462,227	2.86%	397,110,901
35	Miscellaneous Deferred Debits	6,960,585	-16.80%	8,366,546	27.04%	6,585,819	75.52%	3,752,218	151.15%	1,493,996	-23.07%	1,942,009	31.15%	1,480,708
36	Unamortized Loss on Re-Acquired Debt	15,846,685	1.40%	15,430,227	-8.50%	16,863,861	-6.47%	18,031,262	-2.23%	18,442,649	-7.64%	19,968,045	-4.75%	20,963,863
37	Accumulated Deferred Income Taxes	284,296,675	9.34%	260,023,313	-0.43%	261,142,312	65.41%	157,876,610	20.52%	130,998,531	22.60%	106,846,806	348.44%	23,826,072
38	Total Deferred Debits	\$ 823,008,587	8.62%	\$ 757,727,283	3.11%	\$ 734,887,024	21.82%	\$ 603,277,868	26.33%	\$ 477,557,427	-13.23%	\$ 550,345,406	20.50%	\$ 456,707,739
39	Total Assets	\$ 6,268,055,443	7.16%	\$ 5,849,265,831	4.25%	\$ 5,610,941,402	10.84%	\$ 5,062,388,591	18.23%	\$ 4,281,778,286	10.85%	\$ 3,862,543,774	7.70%	\$ 3,586,372,896

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - TOTAL COMPANY
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 2 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD		BASE PERIOD		2015		2014		2013		2012		2011	
			% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE
1	LIABILITIES & PROPRIETARY CAPITAL														
2	PROPRIETARY CAPITAL														
3	Common Stock Issued	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%	\$ 425,170,424	0.00%
4	Paid in Capital	566,733,062	16.11%	488,081,499	17.02%	417,081,499	27.52%	327,081,499	92.88%	169,581,499	102.89%	83,581,499	0.00%	83,581,499	0.00%
5	(Less) Capital Stock Expense	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%	835,889	0.00%
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
7	Retained Earnings	1,231,418,268	9.29%	1,126,714,821	2.54%	1,098,854,463	6.43%	1,032,434,890	5.75%	976,302,939	6.51%	916,602,336	5.49%	868,929,558	5.49%
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
9	Total Proprietary Capital	\$ 2,222,485,866	8.99%	\$ 2,039,130,855	5.10%	\$ 1,940,270,497	8.77%	\$ 1,783,850,924	13.61%	\$ 1,570,218,973	10.23%	\$ 1,424,518,370	3.46%	\$ 1,376,845,592	
10	LONG-TERM DEBT														
11	Bonds	\$ 1,822,403,281	11.81%	\$ 1,629,942,595	-1.50%	\$ 1,654,729,468	22.14%	\$ 1,354,743,586	0.03%	\$ 1,354,402,769	22.47%	\$ 1,105,915,402	0.03%	\$ 1,105,635,542	0.03%
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
13	Total Long-Term Debt	\$ 1,822,403,281	11.81%	\$ 1,629,942,595	-1.50%	\$ 1,654,729,468	22.14%	\$ 1,354,743,586	0.03%	\$ 1,354,402,769	22.47%	\$ 1,105,915,402	0.03%	\$ 1,105,635,542	0.03%
14	OTHER NON-CURRENT LIABILITIES														
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
16	Accumulated Provision for Postretirement Benefits	139,964,967	9.80%	127,477,353	-3.65%	132,307,531	-7.07%	142,374,774	49.71%	95,101,935	-48.96%	186,312,333	1.18%	184,133,496	1.18%
17	Total Other Non-Current Liabilities	\$ 139,964,967	9.80%	\$ 127,477,353	-3.65%	\$ 132,307,531	-7.07%	\$ 142,374,774	49.71%	\$ 95,101,935	-48.96%	\$ 186,312,333	1.18%	\$ 184,133,496	1.18%
18	CURRENT AND ACCRUED LIABILITIES														
19	Notes Payable	\$ 159,467,796	44.99%	\$ 109,984,686	-22.53%	\$ 141,969,180	-46.21%	\$ 263,956,483	100.00%	\$ 19,996,778	-63.64%	\$ 54,992,669	100.00%	\$ -	-
20	Accounts Payable	136,966,021	7.09%	127,901,732	-25.70%	172,152,826	-29.78%	245,177,038	43.50%	170,850,243	40.53%	121,578,266	24.25%	97,848,808	24.25%
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
22	Accounts Payable to Associated Companies	25,831,424	9.11%	23,674,922	-3.62%	24,563,440	22.72%	20,016,015	-17.61%	24,294,741	6.55%	22,801,659	-10.68%	25,528,426	10.68%
23	Customer Deposits	26,279,737	-2.19%	26,869,453	5.76%	25,405,488	3.70%	24,498,183	1.76%	24,075,549	2.61%	23,464,189	4.93%	22,361,042	4.93%
24	Taxes Accrued	24,664,267	-67.58%	76,087,596	281.86%	19,925,519	5.60%	18,869,565	64.45%	11,474,665	561.18%	1,735,495	-86.94%	13,284,850	86.94%
25	Interest Accrued	17,023,960	-12.36%	19,424,550	77.45%	10,946,603	86.46%	5,870,903	5.21%	5,580,258	9.02%	5,118,488	-12.14%	5,825,755	12.14%
26	Tax Collections Payable	1,488,056	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
27	Miscellaneous Current and Accrued Liabilities	59,754,885	-57.58%	140,848,843	101.05%	70,058,015	-21.86%	89,656,315	272.97%	24,038,771	-5.70%	25,492,409	14.95%	22,176,210	14.95%
28	Total Current and Accrued Liabilities	\$ 451,476,146	-13.97%	\$ 524,791,782	12.85%	\$ 465,021,071	-30.39%	\$ 668,044,502	138.32%	\$ 280,311,005	9.85%	\$ 255,183,175	36.44%	\$ 187,025,091	36.44%
29	DEFERRED CREDITS														
30	Customer Advances for Construction	\$ 6,777,844	7.56%	\$ 6,301,490	-15.17%	\$ 7,428,646	-9.78%	\$ 8,234,051	22.02%	\$ 6,748,025	0.57%	\$ 6,709,975	-8.17%	\$ 7,307,168	8.17%
31	Accumulated Deferred Investment Tax Credits	35,325,685	-2.34%	36,172,653	4.41%	34,643,470	-3.72%	35,982,105	-4.74%	37,770,885	-5.27%	39,871,227	-6.67%	42,718,844	6.67%
32	Other Deferred Credits	5,249,411	59.48%	3,291,638	-18.07%	4,017,629	-72.50%	14,609,363	-14.65%	17,117,636	131.03%	7,409,317	44.70%	5,120,367	44.70%
33	Other Regulatory Liabilities	76,109,847	-1.64%	77,382,115	-13.59%	89,547,281	0.07%	89,485,209	-3.33%	92,564,168	64.63%	56,225,014	-4.08%	58,617,596	4.08%
34	Asset Retirement Obligation	177,339,133	4.75%	169,293,787	-10.47%	189,099,814	121.49%	85,375,725	3.87%	82,196,215	27.07%	64,684,737	10.37%	58,606,350	10.37%
35	Miscellaneous Long-Term Liabilities	4,249,578	39.05%	3,056,084	-28.09%	4,249,578	-80.82%	22,159,360	-39.35%	36,535,512	-37.77%	58,713,172	-3.28%	60,707,003	3.28%
36	Accumulated Deferred Income Taxes	1,326,673,686	7.65%	1,232,425,479	13.11%	1,089,626,417	27.07%	857,528,992	20.98%	708,811,163	7.89%	657,001,051	31.49%	499,655,847	31.49%
37	Total Deferred Credits	\$ 1,631,725,185	6.79%	\$ 1,527,923,246	7.71%	\$ 1,418,612,835	27.42%	\$ 1,113,374,805	13.41%	\$ 981,743,604	10.23%	\$ 890,614,493	21.55%	\$ 732,733,175	21.55%
38	Total Liabilities and Stockholders Equity	\$ 6,268,055,444	7.16%	\$ 5,849,265,831	4.25%	\$ 5,610,941,402	10.84%	\$ 5,062,388,591	18.23%	\$ 4,281,778,286	10.85%	\$ 3,862,543,773	7.70%	\$ 3,586,372,896	7.70%

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - GAS
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: __ __ ORIGINAL __X__ UPDATED __ __ REVISSED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 3 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD	% CHANGE	BASE PERIOD	% CHANGE	2015	% CHANGE	2014	% CHANGE	2013	% CHANGE	2012	% CHANGE	2011
1	ASSETS													
2	UTILITY PLANT													
3	Utility Plant	\$ 1,282,774,577	6.26%	\$ 1,207,218,805	9.44%	\$ 1,103,086,797	7.46%	\$ 1,026,529,217	12.38%	\$ 913,414,945	8.21%	\$ 844,098,655	6.73%	\$ 790,900,791
4	Construction Work in Progress	29,923,146	103.77%	14,684,997	-42.42%	25,504,982	7.35%	23,759,661	-61.24%	61,294,002	-0.54%	61,624,858	18.84%	51,855,952
5	Total Utility Plant	\$ 1,312,697,723	7.43%	\$ 1,221,903,802	8.27%	\$ 1,128,591,779	7.46%	\$ 1,050,288,878	7.75%	\$ 974,708,947	7.62%	\$ 905,723,513	7.47%	\$ 842,756,743
6	Less: Accumulated Provision for Depreciation	376,216,941	7.29%	350,647,408	6.35%	329,724,160	5.26%	313,237,740	6.14%	295,119,381	6.12%	278,100,868	5.00%	264,851,338
7	Net Utility Plant	\$ 936,480,782	7.49%	\$ 871,256,394	9.06%	\$ 798,867,619	8.39%	\$ 737,051,138	8.46%	\$ 679,589,566	8.28%	\$ 627,622,645	8.60%	\$ 577,905,405
8	OTHER PROPERTY AND INVESTMENTS													
9	Nonutility Property-Less Reserve	\$ 170,261	-2.82%	\$ 175,209	3.33%	\$ 169,556	-0.09%	\$ 169,711	20.15%	\$ 141,251	845.33%	\$ 14,942	333.73%	\$ 3,445
10	Investment in Subsidiary Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Other Investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Special Funds	1,518,822	188.51%	526,444	-65.69%	1,534,396	-58.35%	3,684,199	-14.99%	4,333,975	-35.58%	6,727,322	10.95%	6,063,583
13	Total Other Property and Investments	\$ 1,689,083	140.73%	\$ 701,653	-58.82%	\$ 1,703,952	-55.79%	\$ 3,853,910	-13.88%	\$ 4,475,226	-33.62%	\$ 6,742,264	11.13%	\$ 6,067,028
14	CURRENT AND ACCRUED ASSETS													
15	Cash	\$ 870,616	-6.29%	\$ 929,049	769.38%	\$ 106,863	-74.31%	\$ 415,971	57.68%	\$ 263,812	-84.26%	\$ 1,675,901	-68.01%	\$ 5,238,286
16	Special Deposits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
17	Working Funds	3,446	100.00%	-	100.00%	-	0.00%	-	-100.00%	3,918	-7.96%	4,257	0.81%	4,223
18	Temporary Cash Investments	-	-100.00%	205,873	-92.37%	2,699,727	177.89%	971,494	9.22%	889,517	-70.73%	3,039,465	43633.31%	6,950
19	Customer Accounts Receivable	20,798,597	-45.86%	38,413,393	59.17%	24,133,816	-31.65%	35,308,883	4.62%	33,750,513	117.75%	15,499,848	21.80%	12,725,337
20	Other Accounts Receivable	1,665,805	3245.19%	49,797	-76.39%	210,871	-0.61%	212,163	38.56%	153,123	-91.80%	1,868,298	62.55%	1,149,364
21	Less: Accum Prov. for Uncollectable Accts-Credit	268,255	-38.59%	436,803	102.05%	216,185	-64.47%	608,514	47.01%	413,938	-10.23%	461,100	-19.39%	572,023
22	Accounts Receivable from Associated Companies	4,071,097	18020.34%	22,467	116.88%	10,359	-45.91%	19,150	21177.78%	90	-99.18%	10,922	-98.42%	693,320
23	Fuel	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24	Plant Materials and Operating Supplies	272,576	2557.21%	10,258	0.00%	10,258	0.00%	10,258	0.00%	10,258	-1416.82%	(779)	-140.05%	1,945
25	Stores Expense Undistributed	51,375	-86.29%	374,649	87.43%	199,890	-5.95%	212,525	13.73%	186,876	681.97%	23,898	595.92%	3,434
26	Gas Stored Underground	24,895,211	3.83%	23,976,876	-43.01%	42,068,560	-22.31%	54,151,379	13.89%	47,546,888	13.18%	42,010,154	-21.16%	53,287,605
27	Prepayments	2,704,811	-1.54%	2,747,076	160.91%	1,052,866	-2.21%	1,076,616	104.91%	525,409	-35.96%	820,403	56.74%	523,430
28	Interest, Dividends, and Rents Receivable	116,571	27989.30%	415	-1.19%	420	7.97%	389	22.33%	318	-66.67%	954	-90.31%	9,843
29	Accrued Utility Revenues	14,046,382	-14.93%	16,511,062	-9.51%	18,245,470	-26.89%	24,955,728	-19.07%	30,835,687	49.33%	20,649,726	-3.30%	21,355,347
30	Miscellaneous Current Assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-100.00%	1,513,448	100.00%	-
31	Total Current and Accrued Assets	\$ 69,228,231	-16.40%	\$ 82,804,112	-6.46%	\$ 88,522,915	-24.16%	\$ 116,726,042	2.61%	\$ 113,752,471	31.27%	\$ 86,655,395	-8.23%	\$ 94,427,061
32	DEFERRED DEBITS													
33	Unamortized Debt Expense	\$ 2,833,718	7.69%	\$ 2,631,371	-1.61%	\$ 2,674,518	16.58%	\$ 2,294,055	-15.76%	\$ 2,723,317	-2.09%	\$ 2,781,546	-0.70%	\$ 2,801,166
34	Other Regulatory Assets	61,591,880	-10.99%	69,196,358	16.76%	59,263,060	-18.68%	72,880,699	37.80%	52,889,424	-30.74%	76,368,770	-13.66%	88,448,145
35	Miscellaneous Deferred Debits	(148,410)	-114.60%	1,016,504	-49.33%	2,006,055	-3.64%	2,081,757	1585.67%	123,498	439.88%	22,875	-100.36%	(6,284,096)
36	Unamortized Loss on Re-Acquired Debt	2,724,102	-0.93%	2,749,667	-3.18%	2,839,874	-10.77%	3,182,518	-11.52%	3,596,792	-15.01%	4,231,941	-3.96%	4,406,604
37	Accumulated Deferred Income Taxes	28,459,283	-14.57%	33,312,360	-20.07%	41,674,470	31.75%	31,632,555	27.10%	24,888,128	6.14%	23,448,872	1304.18%	1,669,931
38	Total Deferred Debits	\$ 95,460,573	-12.35%	\$ 108,906,260	0.41%	\$ 108,457,977	-3.22%	\$ 112,071,584	33.07%	\$ 84,221,159	-21.18%	\$ 106,854,004	17.37%	\$ 91,041,750
39	Total Assets	\$ 1,102,858,669	3.68%	\$ 1,063,668,419	6.63%	\$ 997,552,463	2.87%	\$ 969,702,674	9.94%	\$ 882,038,422	6.54%	\$ 827,874,308	7.59%	\$ 769,441,244

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARATIVE BALANCE SHEETS - GAS
AS OF DECEMBER 31, 2011 - 2015 AND BASE AND FORECASTED PERIODS

DATA: __X__ BASE PERIOD __X__ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE B-8
PAGE 4 OF 4
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	13 MO AVG FORECAST PERIOD		BASE PERIOD		2015		2014		2013		2012		2011	
			% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE		% CHANGE
1	LIABILITIES & PROPRIETARY CAPITAL														
2	PROPRIETARY CAPITAL														
3	Common Stock Issued	\$ 74,032,011	-2.29%	\$ 75,765,369	5.82%	\$ 71,598,699	-4.59%	\$ 75,042,580	-9.49%	\$ 82,908,233	-7.98%	\$ 90,093,613	0.81%	\$ 89,370,823	
4	Paid in Capital	98,711,246	13.49%	86,976,123	23.83%	70,236,525	21.66%	57,729,885	74.58%	33,068,392	86.71%	17,710,920	0.81%	17,568,831	
5	(Less) Capital Stock Expense	145,548	-2.29%	148,956	5.82%	140,764	-4.59%	147,535	-9.49%	162,999	-7.98%	177,125	0.81%	175,704	
6	Other Comprehensive Income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
7	Retained Earnings	214,430,615	2.11%	209,998,087	13.06%	185,735,449	1.01%	183,878,537	-5.47%	194,517,915	2.86%	189,106,068	10.10%	171,756,285	
8	Unappropriated Undistributed Subsidiary Earnings	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
9	Total Proprietary Capital	\$ 387,028,324	3.87%	\$ 372,590,623	13.79%	\$ 327,429,909	3.45%	\$ 316,503,467	1.99%	\$ 310,331,541	4.58%	\$ 296,733,476	6.54%	\$ 278,520,235	
10	LONG-TERM DEBT														
11	Bonds	\$ 317,394,176	8.18%	\$ 293,389,667	-1.50%	\$ 297,851,304	24.11%	\$ 239,987,243	-9.13%	\$ 264,108,540	12.70%	\$ 234,343,474	0.83%	\$ 232,404,591	
12	Long-Term Debt to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
13	Total Long-Term Debt	\$ 317,394,176	8.18%	\$ 293,389,667	-1.50%	\$ 297,851,304	24.11%	\$ 239,987,243	-9.13%	\$ 264,108,540	12.70%	\$ 234,343,474	0.83%	\$ 232,404,591	
14	OTHER NON-CURRENT LIABILITIES														
15	Long Term Obligations Under Capital Leases	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	
16	Accumulated Provision for Postretirement Benefits	24,361,858	7.03%	22,762,687	1.96%	22,324,269	-11.32%	25,174,929	35.38%	18,595,458	-52.96%	39,534,547	2.00%	38,759,384	
17	Total Other Non-Current Liabilities	\$ 24,361,858	7.03%	\$ 22,762,687	1.96%	\$ 22,324,269	-11.32%	\$ 25,174,929	35.38%	\$ 18,595,458	-52.96%	\$ 39,534,547	2.00%	\$ 38,759,384	
18	CURRENT AND ACCRUED LIABILITIES														
19	Notes Payable	\$ 27,742,877	40.14%	\$ 19,797,243	-22.53%	\$ 25,554,453	-45.15%	\$ 46,588,319	100.00%	\$ 3,899,372	-66.54%	\$ 11,652,946	100.00%	\$ -	
20	Accounts Payable	18,556,344	-8.75%	20,335,653	-13.36%	23,472,129	-22.31%	30,211,486	28.04%	23,595,049	-10.08%	26,239,159	21.31%	21,630,697	
21	Notes Payable to Associated Companies	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
22	Accounts Payable to Associated Companies	4,498,962	14.67%	3,923,331	1.71%	3,857,196	19.05%	3,240,106	-26.60%	4,414,072	-1.48%	4,480,241	-16.51%	5,366,075	
23	Customer Deposits	4,575,910	-45.71%	8,428,548	52.19%	5,538,254	28.08%	4,323,929	-21.30%	5,494,040	21.88%	4,507,564	-9.48%	4,979,839	
24	Taxes Accrued	4,293,189	-69.26%	13,966,209	275.18%	3,722,576	1.25%	3,676,469	44.12%	2,550,995	245.54%	738,273	-69.65%	2,432,418	
25	Interest Accrued	2,963,516	-14.39%	3,461,452	88.75%	1,833,836	78.70%	1,026,225	-5.74%	1,088,685	0.43%	1,084,052	-11.48%	1,224,574	
26	Tax Collections Payable	259,105	100.00%	-	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
27	Miscellaneous Current and Accrued Liabilities	10,404,581	-67.18%	31,701,732	140.08%	13,204,767	-43.65%	23,431,793	111.99%	11,053,398	-3.60%	11,465,912	21.65%	9,425,145	
28	Total Current and Accrued Liabilities	\$ 73,294,484	-27.87%	\$ 101,614,168	31.65%	\$ 77,183,211	-31.39%	\$ 112,498,327	115.95%	\$ 52,095,611	-13.42%	\$ 60,168,147	33.53%	\$ 45,058,748	
29	DEFERRED CREDITS														
30	Customer Advances for Construction	\$ 5,333,825	12.38%	\$ 4,746,274	-18.64%	\$ 5,833,449	-11.08%	\$ 6,560,096	33.37%	\$ 4,918,769	-6.62%	\$ 5,267,526	-443.96%	\$ (1,531,444)	
31	Accumulated Deferred Investment Tax Credits	38,253	-48.41%	74,153	-47.90%	142,326	-35.32%	220,046	100.00%	0	0.00%	0	-100.00%	556,206	
32	Other Deferred Credits	914,044	89.72%	481,787	92.28%	250,569	489.84%	42,481	-98.08%	2,206,828	1024.15%	196,311	-141.48%	(473,311)	
33	Other Regulatory Liabilities	8,976,875	-9.04%	9,868,514	-45.54%	18,119,932	-14.51%	21,194,837	1.68%	20,845,169	101.15%	10,363,167	3.60%	10,002,835	
34	Asset Retirement Obligation	37,600,499	89.17%	19,876,961	7.14%	18,551,722	-13.21%	21,375,404	-2.25%	21,866,447	2.30%	21,375,134	-50.56%	43,230,767	
35	Miscellaneous Long-Term Liabilities	739,950	35.87%	544,594	-23.90%	715,629	-81.70%	3,911,127	-45.10%	7,124,425	-42.74%	12,441,321	-2.50%	12,760,612	
36	Accumulated Deferred Income Taxes	256,907,806	10.30%	232,911,884	4.25%	223,409,449	15.78%	192,952,793	32.32%	145,827,701	6.79%	136,549,717	44.44%	94,539,940	
37	Total Deferred Credits	\$ 310,511,254	15.64%	\$ 268,504,167	0.55%	\$ 267,023,076	8.43%	\$ 246,256,784	21.43%	\$ 202,789,339	8.91%	\$ 186,193,176	17.04%	\$ 159,085,605	
38	Total Liabilities and Stockholders Equity	\$ 1,112,590,096	5.07%	\$ 1,058,861,312	6.76%	\$ 991,811,769	5.46%	\$ 940,420,750	10.91%	\$ 847,920,489	3.79%	\$ 816,972,820	8.38%	\$ 753,828,563	
39	Adjustment to Balance	\$ (9,731,427)		\$ 4,807,107		\$ 5,740,694		\$ 29,281,924		\$ 34,117,933		\$ 10,901,488		\$ 15,612,681	

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(c)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional operating income summary for both the base period and the forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
C-1	JURISDICTIONAL OPERATING INCOME SUMMARY
C-2	JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
C-2.1	JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS
C-2.2	COMPARISON OF ELECTRIC UTILITY ACCOUNT BALANCES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-1

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES (1) \$	FORECASTED ADJUSTMENTS AT CURRENT RATES (2) \$	FORECASTED RETURN AT CURRENT RATES (3) \$	PROPOSED INCREASE (4) \$	FORECASTED RETURN AT PROPOSED RATES (5) \$
1	OPERATING REVENUES					
2	ELECTRIC SALES REVENUES	980,768,051	14,649,279	995,417,330	94,076,042	1,089,493,372
3	OTHER OPERATING REVENUES	19,671,038	2,113,285	21,784,323		21,784,323
4	TOTAL OPERATING REVENUES	<u>1,000,439,089</u>	<u>16,762,564</u>	<u>1,017,201,653</u>	<u>94,076,042</u>	<u>1,111,277,695</u>
5	OPERATING EXPENSES					
6	OPERATION AND MAINTENANCE EXPENSE	626,359,445	58,277,595	684,637,040	212,612	684,849,652
7	DEPRECIATION AND AMORTIZATION	113,188,797	25,653,730	138,842,527		138,842,527
8	REGULATORY DEBITS	-	-	-		-
9	TAXES OTHER THAN INCOME TAXES	28,692,554	3,836,655	32,529,209	182,602	32,711,811
10	TOTAL INCOME TAXES	74,098,298	(29,041,482)	45,056,815	36,351,013	81,407,829
11	INVESTMENT TAX CREDIT	(1,150,762)	148,227	(1,002,535)		(1,002,535)
12	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-		-
13	TOTAL OPERATING EXPENSES	<u>841,188,331</u>	<u>58,874,724</u>	<u>900,063,056</u>	<u>36,746,227</u>	<u>936,809,283</u>
14	NET OPERATING INCOME	<u>159,250,757</u>	<u>(42,112,160)</u>	<u>117,138,597</u>	<u>57,329,815</u>	<u>174,468,412</u>
15	CAPITALIZATION ALLOCATED TO ELECTRIC OPERATIONS	<u>2,167,496,810</u>	<u>241,256,504</u>	<u>2,408,753,314</u>		<u>2,408,753,314</u>
16	RATE OF RETURN ON CAPITALIZATION	<u>7.35%</u>		<u>4.86%</u>		<u>7.24%</u>
17	ELECTRIC RATE BASE	<u>2,201,181,610</u>	<u>171,957,166</u>	<u>2,373,138,776</u>		<u>2,373,138,776</u>
18	RATE OF RETURN ON RATE BASE	<u>7.23%</u>		<u>4.94%</u>		<u>7.35%</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S)::

SCHEDULE C-2

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WITNESS: C. M. GARRETT

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD	PRO FORMA FORECASTED PERIOD JURISDICTIONAL
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	OPERATING REVENUES					
2	ELECTRIC SALES REVENUES	980,768,051	23,563,356	1,004,331,406	(8,914,077)	995,417,330
3	OTHER OPERATING REVENUES	19,671,038	2,113,285	21,784,323	-	21,784,323
4	TOTAL OPERATING REVENUES	<u>1,000,439,089</u>	<u>25,676,641</u>	<u>1,026,115,729</u>	<u>(8,914,077)</u>	<u>1,017,201,653</u>
5	OPERATING EXPENSES					
6	<u>OPERATION AND MAINTENANCE EXPENSES:</u>					
7	PRODUCTION EXPENSE	472,306,275	38,038,988	510,345,263	-	510,345,263
8	TRANSMISSION EXPENSE	13,932,878	2,576,633	16,509,511	-	16,509,511
9	DISTRIBUTION EXPENSE	46,408,637	7,610,879	54,019,516	-	54,019,516
10	CUSTOMER ACCOUNTS EXPENSE	12,045,696	1,946,304	13,992,000	-	13,992,000
11	CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	1,372,969	362,573	1,735,542	-	1,735,542
12	SALES EXPENSE	996,144	(45,297)	950,847	(950,847)	-
13	ADMINISTRATIVE AND GENERAL EXPENSE	79,296,845	8,772,379	88,069,225	(34,017)	88,035,208
14	TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>626,359,445</u>	<u>59,262,458</u>	<u>685,621,903</u>	<u>(984,863)</u>	<u>684,637,040</u>
15	DEPRECIATION AND AMORTIZATION	113,188,797	25,653,730	138,842,527	-	138,842,527
16	REGULATORY DEBITS	-	-	-	-	-
17	TAXES OTHER THAN INCOME TAXES	28,692,554	3,836,655	32,529,209	-	32,529,209
18	FEDERAL INCOME TAXES	62,947,541	(21,880,850)	41,066,692	(2,614,198)	38,452,494
19	STATE INCOME TAXES	11,150,756	(4,086,359)	7,064,398	(460,076)	6,604,322
20	INVESTMENT TAX CREDIT	(1,150,762)	148,227	(1,002,535)	-	(1,002,535)
21	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-
22	TOTAL OPERATING EXPENSES	<u>841,188,331</u>	<u>62,933,861</u>	<u>904,122,193</u>	<u>(4,059,137)</u>	<u>900,063,056</u>
23	NET OPERATING INCOME	<u>159,250,757</u>	<u>(37,257,220)</u>	<u>121,993,537</u>	<u>(4,854,939)</u>	<u>117,138,597</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	432,654,102	100.000%	432,654,102	(58,198,508)	374,455,594	
4	442.2	COMMERCIAL	372,469,805	100.000%	372,469,805	(42,034,813)	330,434,992	
5	442.3	INDUSTRIAL	175,535,167	100.000%	175,535,167	(15,530,910)	160,004,257	
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	3,227,232	100.000%	3,227,232	(343,589)	2,883,643	
7	445	OTHER SALES TO PUBLIC AUTHORITIES	96,000,237	100.000%	96,000,237	(10,087,448)	85,912,790	
8		TOTAL SALES TO ULTIMATE CONSUMERS	1,079,886,543		1,079,886,543	(126,195,267)	953,691,276	
9	447	SALES FOR RESALE	36,502,740	100.000%	36,502,740	(9,425,965)	27,076,775	
10	449.1	PROVISION FOR RATE REFUNDS	-	100.000%	-	-	-	
11		TOTAL SALES OF ELECTRICITY	1,116,389,283		1,116,389,283	(135,621,232)	980,768,051	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	2,780,542	100.000%	2,780,542	-	2,780,542	
14	451	ELECTRIC SERVICE REVENUES	1,238,716	100.000%	1,238,716	-	1,238,716	
15	454	RENT FROM ELECTRIC PROPERTY	3,864,395	100.000%	3,864,395	-	3,864,395	
16	456	OTHER MISCELLANEOUS REVENUE	11,787,385	100.000%	11,787,385	-	11,787,385	
17		TOTAL OTHER OPERATING REVENUES	19,671,038		19,671,038	-	19,671,038	
18		TOTAL OPERATING REVENUES	1,136,060,321		1,136,060,321	(135,621,232)	1,000,439,089	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	5,361,593	100.000%	5,361,593	-	5,361,593	
23	501	FUEL	265,309,941	100.000%	265,309,941	17,797,953	283,107,894	
24	502	STEAM EXPENSES	17,367,247	100.000%	17,367,247	(579,217)	16,788,030	
25	504	STEAM TRANSFERRED-CREDIT	-	100.000%	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
26	505	ELECTRIC EXPENSES	2,573,886	100.000%	2,573,886	-	2,573,886	
27	506	MISC STEAM POWER EXPENSES	16,062,446	100.000%	16,062,446	(6,496,221)	9,566,225	
28	507	RENTS	33,000	100.000%	33,000	-	33,000	
29	509	ALLOWANCES	74	100.000%	74	(1)	73	
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	4,860,488	100.000%	4,860,488	-	4,860,488	
31	511	MAINTENANCE OF STRUCTURES	3,457,422	100.000%	3,457,422	-	3,457,422	
32	512	MAINTENANCE OF BOILER PLANT	31,697,699	100.000%	31,697,699	(1,856,718)	29,840,982	
33	513	MAINTENANCE OF ELECTRIC PLANT	7,452,441	100.000%	7,452,441	-	7,452,441	
34	514	MAINTENANCE OF MISC STEAM PLANT	2,571,472	100.000%	2,571,472	-	2,571,472	
35		TOTAL STEAM GENERATION	<u>356,747,710</u>		<u>356,747,710</u>	<u>8,865,796</u>	<u>365,613,507</u>	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	125,796	100.000%	125,796	-	125,796	
38	536	WATER FOR POWER	39,092	100.000%	39,092	-	39,092	
39	537	HYDRAULIC EXPENSES	-	100.000%	-	-	-	
40	538	ELECTRIC EXPENSES	319,641	100.000%	319,641	-	319,641	
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	137,398	100.000%	137,398	-	137,398	
42	540	RENTS	582,092	100.000%	582,092	-	582,092	
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
44	542	MAINTENANCE OF STRUCTURES	255,913	100.000%	255,913	-	255,913	
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	80,683	100.000%	80,683	-	80,683	
46	544	MAINTENANCE OF ELECTRIC PLANT	383,100	100.000%	383,100	-	383,100	
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	56,324	100.000%	56,324	-	56,324	
48		TOTAL HYDRAULIC GENERATION	<u>1,980,039</u>		<u>1,980,039</u>	<u>-</u>	<u>1,980,039</u>	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	351,800	100.000%	351,800	-	351,800	
51	547	OTHER FUEL	44,471,866	100.000%	44,471,866	(303,489)	44,168,377	
52	548	GENERATION EXPENSES	217,421	100.000%	217,421	-	217,421	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
53	549	MISC OTHER POWER GENERATION EXPENSES	1,064,288	100.000%	1,064,288	-	1,064,288	
54	550	RENTS	21,239	100.000%	21,239	-	21,239	
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	126,370	100.000%	126,370	-	126,370	
56	552	MAINTENANCE OF STRUCTURES	274,805	100.000%	274,805	-	274,805	
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	1,738,270	100.000%	1,738,270	-	1,738,270	
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	1,306,331	100.000%	1,306,331	-	1,306,331	
59		TOTAL OTHER GENERATION	49,572,390		49,572,390	(303,489)	49,268,901	
60		<u>OTHER POWER SUPPLY:</u>						
61	555	PURCHASED POWER	56,529,890	100.000%	56,529,890	(2,181,491)	54,348,399	
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,095,670	100.000%	1,095,670	-	1,095,670	
63	557	OTHER EXPENSES	(58,903)	100.000%	(58,903)	58,663	(240)	
64		TOTAL OTHER POWER SUPPLY	57,566,657		57,566,657	(2,122,828)	55,443,829	
65		TOTAL PRODUCTION EXPENSES	465,866,795		465,866,795	6,439,480	472,306,275	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	886,451	100.000%	886,451	-	886,451	
68	561	LOAD DISPATCHING	2,178,088	100.000%	2,178,088	-	2,178,088	
69	562	STATION EXPENSES	835,649	100.000%	835,649	-	835,649	
70	563	OVERHEAD LINE EXPENSES	320,278	100.000%	320,278	-	320,278	
71	564	UNDERGROUND LINE EXPENSES	-	100.000%	-	-	-	
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	729,871	100.000%	729,871	(893,114)	(163,243)	
73	566	MISC TRANSMISSION EXPENSES	6,115,718	100.000%	6,115,718	-	6,115,718	
74	567	RENTS	53,048	100.000%	53,048	-	53,048	
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
76	569	MAINTENANCE OF STRUCTURES	-	100.000%	-	-	-	
77	570	MAINTENANCE OF STATION EQUIPMENT	1,631,629	100.000%	1,631,629	-	1,631,629	
78	571	MAINTENANCE OF OVERHEAD LINES	2,133,390	100.000%	2,133,390	-	2,133,390	
79	572	MAINTENANCE OF UNDERGROUND LINES	-	100.000%	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	195,964	100.000%	195,964	-	195,964	
81	575	MISO DAY 1 AND 2 EXPENSE	<u>(254,095)</u>	100.000%	<u>(254,095)</u>	-	<u>(254,095)</u>	
82		TOTAL TRANSMISSION EXPENSES	<u>14,825,992</u>		<u>14,825,992</u>	<u>(893,114)</u>	<u>13,932,878</u>	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	1,528,450	100.000%	1,528,450	-	1,528,450	
85	581	LOAD DISPATCHING	677,155	100.000%	677,155	-	677,155	
86	582	STATION EXPENSES	1,910,263	100.000%	1,910,263	-	1,910,263	
87	583	OVERHEAD LINE EXPENSES	5,568,072	100.000%	5,568,072	-	5,568,072	
88	584	UNDERGROUND LINE EXPENSES	433,685	100.000%	433,685	-	433,685	
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	100.000%	-	-	-	
90	586	METER EXPENSES	6,613,440	100.000%	6,613,440	-	6,613,440	
91	587	CUSTOMER INSTALLATIONS EXPENSES	(132,600)	100.000%	(132,600)	-	(132,600)	
92	588	MISC DISTRIBUTION EXPENSES	4,829,611	100.000%	4,829,611	-	4,829,611	
93	589	RENTS	14,106	100.000%	14,106	-	14,106	
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	20,718	100.000%	20,718	-	20,718	
95	591	MAINTENANCE OF STRUCTURES	696	100.000%	696	-	696	
96	592	MAINTENANCE OF STATION EQUIPMENT	1,172,406	100.000%	1,172,406	-	1,172,406	
97	593	MAINTENANCE OF OVERHEAD LINES	21,502,873	100.000%	21,502,873	-	21,502,873	
98	594	MAINTENANCE OF UNDERGROUND LINES	1,167,082	100.000%	1,167,082	-	1,167,082	
99	595	MAINTENANCE OF LINE TRANSFORMERS	141,396	100.000%	141,396	-	141,396	
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	404,010	100.000%	404,010	-	404,010	
101	597	MAINTENANCE OF METERS	-	100.000%	-	-	-	
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	<u>557,273</u>	100.000%	<u>557,273</u>	-	<u>557,273</u>	
103		TOTAL DISTRIBUTION EXPENSES	<u>46,408,637</u>		<u>46,408,637</u>	-	<u>46,408,637</u>	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	1,105,867	100.000%	1,105,867	-	1,105,867	
106	902	METER READING EXPENSES	2,380,084	100.000%	2,380,084	-	2,380,084	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	6,792,159	100.000%	6,792,159	-	6,792,159	
108	904	UNCOLLECTIBLE ACCOUNTS	1,763,376	100.000%	1,763,376	-	1,763,376	
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	4,210	100.000%	4,210	-	4,210	
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	<u>12,045,696</u>		<u>12,045,696</u>	-	<u>12,045,696</u>	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	326,826	100.000%	326,826	-	326,826	
113	908	CUSTOMER ASSISTANCE EXPENSES	15,796,706	100.000%	15,796,706	(15,887,207)	(90,501)	
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	417,642	100.000%	417,642	-	417,642	
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	719,002	100.000%	719,002	-	719,002	
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	<u>17,260,176</u>		<u>17,260,176</u>	<u>(15,887,207)</u>	<u>1,372,969</u>	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	100.000%	-	-	-	
119	912	DEMONSTRATING AND SELLING EXPENSES	-	100.000%	-	-	-	
120	913	ADVERTISING EXPENSES	996,144	100.000%	996,144	-	996,144	
121	916	MISC SALES EXPENSES	-	100.000%	-	-	-	
122		TOTAL SALES EXPENSES	<u>996,144</u>		<u>996,144</u>	-	<u>996,144</u>	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	25,470,651	100.000%	25,470,651	-	25,470,651	
125	921	OFFICE SUPPLIES AND EXPENSES	5,086,986	100.000%	5,086,986	-	5,086,986	
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,524,042)	100.000%	(4,524,042)	-	(4,524,042)	
127	923	OUTSIDE SERVICES	16,616,500	100.000%	16,616,500	(24,942)	16,591,559	
128	924	PROPERTY INSURANCE	4,671,369	100.000%	4,671,369	-	4,671,369	
129	925	INJURIES AND DAMAGES	2,181,250	100.000%	2,181,250	-	2,181,250	
130	926	EMPLOYEE PENSION AND BENEFITS	24,123,729	100.000%	24,123,729	-	24,123,729	
131	927	FRANCHISE REQUIREMENTS	29,076	100.000%	29,076	-	29,076	
132	928	REGULATORY COMMISSION EXPENSES	1,004,084	100.000%	1,004,084	-	1,004,084	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1
PAGE 6 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1)	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4)	BASE PERIOD JURISDICTIONAL (5)	JURISDICTIONAL METHOD / DESCRIPTION (6)
			\$		\$	\$	\$	ALL ELECTRIC 100%
133	929	DUPLICATE CHARGES--CREDIT	(237,085)	100.000%	(237,085)	-	(237,085)	
134	930.1	GENERAL ADVERTISING EXPENSES	19,606	100.000%	19,606	-	19,606	
135	930.2	MISC GENERAL EXPENSES	3,112,048	100.000%	3,112,048	-	3,112,048	
136	931	RENTS	1,093,097	100.000%	1,093,097	-	1,093,097	
137	935	MAINTENANCE OF GENERAL PLANT	674,519	100.000%	674,519	-	674,519	
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>79,321,787</u>		<u>79,321,787</u>	<u>(24,942)</u>	<u>79,296,845</u>	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>636,725,228</u>		<u>636,725,228</u>	<u>(10,365,783)</u>	<u>626,359,445</u>	
140	403-404	DEPRECIATION AND AMORTIZATION	136,879,298	100.000%	136,879,298	(23,690,502)	113,188,797	
141	407.3	REGULATORY DEBITS	139,978	100.000%	139,978	(139,978)	-	
142	408.1	TAXES OTHER THAN INCOME TAXES	30,056,157	100.000%	30,056,157	(1,363,603)	28,692,554	
143	409-411	FEDERAL INCOME TAXES	89,476,837	100.000%	89,476,837	(26,529,296)	62,947,541	
144	409-411	STATE INCOME TAXES	15,819,678	100.000%	15,819,678	(4,668,922)	11,150,756	
145	411.4	INVESTMENT TAX CREDIT	(1,150,762)	100.000%	(1,150,762)	-	(1,150,762)	
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	<u>(72)</u>	100.000%	<u>(72)</u>	<u>72</u>	<u>-</u>	
147		TOTAL OPERATING EXPENSES	<u>907,946,342</u>		<u>907,946,342</u>	<u>(66,758,011)</u>	<u>841,188,331</u>	
148		NET OPERATING INCOME	<u>228,113,978</u>		<u>228,113,978</u>	<u>(68,863,221)</u>	<u>159,250,757</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPARISON OF ELECTRIC UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: __X__ BASE PERIOD ____ FORECASTED PERIOD
TYPE OF FILING: ____ ORIGINAL __X__ UPDATED ____ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2
SHEET 2 OF 4

WITNESS: C. M. GARRETT

Line No.	Acct No.	Account Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL
65	573	MAINTENANCE OF MISC TRANSMISSION PLANT	19,098	23,108	24,995	17,314	18,515	18,774	10,129	10,003	14,059	15,002	10,704	14,263	195,964
66	575	MISO DAY 1 AND 2 EXPENSE	(21,729)	(21,682)	(21,655)	(21,686)	(21,516)	(21,603)	(21,683)	(21,650)	(21,608)	(19,164)	(20,083)	(20,036)	(254,095)
67	580	DISTR OPERATION SUPERVISION AND ENGINEERING	112,922	159,308	160,954	214,656	104,352	97,387	118,771	108,019	109,088	104,807	118,683	119,501	1,528,450
68	581	LOAD DISPATCHING	59,363	55,166	40,844	67,489	51,739	61,478	57,038	58,017	53,348	67,362	56,385	48,925	677,155
69	582	STATION EXPENSES	152,412	136,524	170,385	213,495	144,064	122,343	124,136	128,433	180,445	184,802	183,591	169,634	1,910,263
70	583	OVERHEAD LINE EXPENSES	490,332	521,029	581,418	518,260	464,870	487,713	522,386	361,469	404,400	338,486	407,621	470,088	5,568,072
71	584	UNDERGROUND LINE EXPENSES	39,313	28,008	27,113	50,615	48,343	36,531	22,163	33,786	39,458	21,229	35,236	51,891	433,685
72	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
73	586	METER EXPENSES	576,276	518,517	494,007	549,541	524,243	557,301	557,865	599,651	611,158	546,164	548,396	530,320	6,613,440
74	587	CUSTOMER INSTALLATIONS EXPENSES	(12,306)	(12,518)	(7,824)	(14,503)	(14,886)	(13,901)	(7,249)	(11,843)	(8,863)	(13,646)	(7,562)	(8,500)	(132,600)
75	588	MISC DISTRIBUTION EXPENSES	378,355	250,301	333,243	423,989	355,634	505,214	522,702	442,452	387,771	445,495	323,187	461,268	4,829,611
76	589	RENTS	-	1,165	2,195	250	-	900	(555)	954	-	1,900	350	6,947	14,106
77	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	180	4,105	1,759	1,711	(98)	73	175	55	133	1,712	9,141	1,772	20,718
78	591	MAINTENANCE OF STRUCTURES	-	-	-	-	-	531	-	-	-	165	-	-	696
79	592	MAINTENANCE OF STATION EQUIPMENT	57,729	51,446	101,476	172,651	108,062	154,649	66,642	59,476	66,999	140,558	93,314	99,406	1,172,406
80	593	MAINTENANCE OF OVERHEAD LINES	1,635,784	2,143,779	1,726,883	2,368,428	1,687,163	1,719,031	2,058,948	1,409,062	1,616,403	1,628,135	1,779,464	1,729,793	21,502,873
81	594	MAINTENANCE OF UNDERGROUND LINES	99,044	79,267	111,787	130,929	95,916	118,271	68,220	87,682	137,064	122,321	44,264	72,315	1,167,082
82	595	MAINTENANCE OF LINE TRANSFORMERS	12,560	13,870	15,225	14,564	14,380	13,342	8,938	9,531	7,251	14,068	10,916	6,752	141,396
83	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTE	53,499	34,916	36,284	27,973	31,779	39,346	34,445	29,472	35,504	30,538	18,235	32,018	404,010
84	597	MAINTENANCE OF METERS	-	-	-	-	-	-	-	-	-	-	-	-	-
85	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	54,271	71,279	71,441	78,183	66,582	37,640	(40,213)	53,690	40,322	43,866	42,820	37,392	557,273
86	901	CUSTOMER ACCTS SUPERVISION	89,899	80,012	94,077	81,545	106,121	107,502	90,482	104,673	93,591	83,750	91,603	82,613	1,105,867
87	902	METER READING EXPENSES	202,585	197,520	209,122	192,805	204,640	202,167	198,120	190,614	197,852	195,545	203,692	185,423	2,380,084
88	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	514,208	493,354	476,031	573,627	508,663	827,218	570,309	558,539	583,406	573,429	566,332	547,044	6,792,159
89	904	UNCOLLECTIBLE ACCOUNTS	185,283	109,104	120,685	233,093	209,017	332,101	78,408	126,089	59,595	122,353	131,494	56,153	1,763,376
90	905	MISC CUSTOMER ACCOUNTS EXPENSE	1,095	52	917	55	50	31	843	1,012	8	55	53	37	4,210
91	907	CUSTOMER SERVICE AND INFO SUPERVISION	15,723	13,627	14,531	16,169	9,935	96,888	17,329	31,584	27,577	28,258	28,448	26,756	326,826
92	908	CUSTOMER ASSISTANCE EXPENSES	924,353	955,592	1,235,733	1,107,897	1,650,224	1,716,434	1,553,751	1,292,372	1,298,749	1,621,094	1,322,335	1,118,174	15,796,706
93	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	39,590	(355)	34,536	55,214	9,022	66,516	64,265	25,607	11,765	16,904	15,229	79,348	417,642
94	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	55,338	42,791	45,532	44,420	63,578	47,426	34,104	64,077	80,392	38,694	56,424	146,227	719,002
95	911	SALES SUPERVISION	-	-	-	-	-	-	-	-	-	-	-	-	-
96	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
97	913	ADVERTISING EXPENSES	89,090	51,471	26,581	154,366	88,635	13,460	108,208	(52,065)	44,546	211,042	126,993	133,816	996,144
98	916	MISC SALES EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
99	920	ADMINISTRATIVE AND GENERAL SALARIES	2,451,598	2,275,880	2,193,052	2,071,818	1,694,822	2,129,659	2,214,087	2,105,653	2,085,084	1,915,202	2,270,770	2,063,027	25,470,651
100	921	OFFICE SUPPLIES AND EXPENSES	415,242	434,976	395,726	393,792	517,006	428,557	293,985	233,092	481,179	555,427	458,269	479,735	5,086,986
101	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(413,873)	(383,364)	(352,005)	(352,935)	(299,791)	(373,236)	(355,071)	(355,399)	(370,234)	(533,828)	(367,321)	(366,984)	(4,524,042)
102	923	OUTSIDE SERVICES	2,179,528	1,333,950	1,401,346	1,524,987	992,064	1,037,304	1,655,909	1,184,847	1,192,252	2,005,857	888,623	1,219,831	16,616,500
103	924	PROPERTY INSURANCE	372,731	498,723	319,446	406,118	380,609	401,249	404,553	366,623	366,381	396,576	411,059	347,300	4,671,369
104	925	INJURIES AND DAMAGES	317,579	279,946	1,206,892	186,763	266,204	189,641	(851,649)	373,907	376,863	(99,151)	254,554	(320,299)	2,181,250
105	926	EMPLOYEE PENSION AND BENEFITS	2,295,328	2,049,550	2,171,444	1,929,135	1,651,613	2,050,818	1,889,931	1,499,521	1,552,619	2,391,355	2,355,834	2,286,582	24,123,729
106	927	FRANCHISE REQUIREMENTS	3,390	2,483	2,138	1,911	1,802	1,937	2,022	1,948	1,923	2,560	3,403	3,558	29,076
107	928	REGULATORY COMMISSION EXPENSES	76,361	90,554	66,602	157,269	123,991	(2,624)	77,206	80,115	86,291	88,088	80,115	80,115	1,004,084
108	929	DUPLICATE CHARGES--CREDIT	(26,721)	(23,752)	(19,693)	(15,152)	(15,359)	(15,068)	(15,559)	(14,953)	(18,665)	(24,585)	(26,330)	(21,248)	(237,085)
109	930.1	GENERAL ADVERTISING EXPENSES	70	1,614	-	21,397	7,870	14,820	(21,661)	(161)	(4,553)	(739)	949	-	19,606
110	930.2	MISC GENERAL EXPENSES	117,611	267,861	289,065	320,314	235,480	199,709	233,100	230,758	281,173	291,015	329,505	316,458	3,112,048
111	931	RENTS	97,552	98,425	79,405	94,508	94,569	85,235	96,066	94,995	80,617	94,397	94,416	82,912	1,093,097
112	935	MAINTENANCE OF GENERAL PLANT	59,913	53,840	58,314	64,371	49,637	62,605	47,107	44,253	48,399	45,743	73,078	67,259	674,519
113		OPERATING (INCOME) LOSS	(20,770,057)	(17,651,591)	(21,924,190)	(36,601,868)	(43,805,570)	(43,883,305)	(33,399,013)	(23,112,967)	(18,457,391)	(24,492,688)	(27,253,101)	(20,907,989)	(332,259,731)

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
C-1	JURISDICTIONAL OPERATING INCOME SUMMARY
C-2	JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
C-2.1	JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNTS
C-2.2	COMPARISON OF TOTAL GAS UTILITY ACCOUNT BALANCES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-1

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES (1) \$	FORECASTED ADJUSTMENTS AT CURRENT RATES (2) \$	FORECASTED RETURN AT CURRENT RATES (3) \$	PROPOSED INCREASE (4) \$	FORECASTED RETURN AT PROPOSED RATES (5) \$
1	OPERATING REVENUES					
2	GAS SALES REVENUES	142,896,682	32,444,684	175,341,366	13,380,632	188,721,999
3	OTHER OPERATING REVENUES	9,193,739	(418,188)	8,775,550		8,775,550
4	TOTAL OPERATING REVENUES	<u>152,090,421</u>	<u>32,026,496</u>	<u>184,116,917</u>	<u>13,380,632</u>	<u>197,497,549</u>
5	OPERATING EXPENSES					
6	OPERATION AND MAINTENANCE EXPENSE	65,725,363	6,766,113	72,491,476	30,240	72,521,716
7	DEPRECIATION AND AMORTIZATION	28,372,679	10,337,782	38,710,461		38,710,461
8	TAXES OTHER THAN INCOME TAXES	7,818,680	3,294,886	11,113,566	25,972	11,139,538
9	TOTAL INCOME TAXES	16,050,654	3,041,661	19,092,315	5,170,281	24,262,595
10	INVESTMENT TAX CREDIT	(58,104)	22,234	(35,870)		(35,870)
11	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-		-
12	TOTAL OPERATING EXPENSES	<u>117,909,272</u>	<u>23,462,676</u>	<u>141,371,947</u>	<u>5,226,493</u>	<u>146,598,440</u>
13	NET OPERATING INCOME	<u>34,181,149</u>	<u>8,563,820</u>	<u>42,744,969</u>	<u>8,154,140</u>	<u>50,899,109</u>
14	CAPITALIZATION ALLOCATED TO GAS OPERATIONS	<u>486,098,232</u>	<u>216,627,236</u>	<u>702,725,469</u>		<u>702,725,469</u>
15	RATE OF RETURN ON CAPITALIZATION	<u>7.03%</u>		<u>6.08%</u>		<u>7.24%</u>
16	GAS RATE BASE	<u>504,179,993</u>	<u>201,857,765</u>	<u>706,037,757</u>		<u>706,037,757</u>
17	RATE OF RETURN ON RATE BASE	<u>6.78%</u>		<u>6.05%</u>		<u>7.21%</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2

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WITNESS: C. M. GARRETT

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD	PRO FORMA FORECASTED PERIOD JURISDICTIONAL
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	<u>OPERATING REVENUES</u>					
2	GAS SALES REVENUES	142,896,682	32,444,684	175,341,366	-	175,341,366
3	OTHER OPERATING REVENUES	9,193,739	(418,188)	8,775,550	-	8,775,550
4	TOTAL OPERATING REVENUES	152,090,421	32,026,496	184,116,917	-	184,116,917
5	<u>OPERATING EXPENSES</u>					
6	<u>OPERATION AND MAINTENANCE EXPENSES:</u>					
7	OTHER GAS SUPPLY EXPENSES	405,792	(48,793)	356,999	-	356,999
8	UNDERGROUND STORAGE EXPENSES	8,822,525	862,518	9,685,043	-	9,685,043
8	TRANSMISSION EXPENSE	3,529,619	332,998	3,862,617	-	3,862,617
9	DISTRIBUTION EXPENSE	22,529,675	1,973,797	24,503,472	-	24,503,472
10	CUSTOMER ACCOUNTS EXPENSE	8,349,281	970,605	9,319,886	-	9,319,886
11	CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	895,534	(396,409)	499,125	-	499,125
12	SALES EXPENSE	258,883	9,305	268,187	(268,187)	-
13	ADMINISTRATIVE AND GENERAL EXPENSE	20,934,055	3,342,737	24,276,792	(12,458)	24,264,334
14	TOTAL OPERATION AND MAINTENANCE EXPENSES	65,725,363	7,046,759	72,772,122	(280,646)	72,491,476
15	DEPRECIATION AND AMORTIZATION	28,372,679	10,337,782	38,710,461	-	38,710,461
16	TAXES OTHER THAN INCOME TAXES	7,818,680	3,294,886	11,113,566	-	11,113,566
17	FEDERAL INCOME TAXES	13,616,064	2,468,848	16,084,913	92,527	16,177,439
18	STATE INCOME TAXES	2,434,589	464,002	2,898,591	16,284	2,914,875
19	INVESTMENT TAX CREDIT	(58,104)	22,234	(35,870)	-	(35,870)
20	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-
21	TOTAL OPERATING EXPENSES	117,909,272	23,634,511	141,543,783	(171,835)	141,371,947
22	NET OPERATING INCOME	34,181,149	8,391,985	42,573,134	171,835	42,744,969

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X ___ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL X ___ UPDATED ___ REVISIED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.1
PAGE 1 OF 10
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY (1) \$	JURIS. PERCENT (2)	UNADJUSTED JURISDICTION (3) \$	JURISDICTIONAL ADJUSTMENTS SCH D-2 (4) \$	BASE PERIOD JURISDICTIONAL (5) \$	JURISDICTIONAL METHOD / DESCRIPTION (6) ALL GAS 100%
1		<u>OPERATING REVENUES</u>						
2		<u>SALES OF GAS:</u>						
3	480	RESIDENTIAL	184,554,228	100.000%	184,554,228	(82,895,890)	101,658,338	
4	481.1	COMMERCIAL	69,373,411	100.000%	69,373,411	(37,579,576)	31,793,835	
5	481.2	INDUSTRIAL	8,972,313	100.000%	8,972,313	(6,258,610)	2,713,703	
6	482	OTHER SALES TO PUBLIC AUTHORITIES	<u>7,880,030</u>	100.000%	<u>7,880,030</u>	<u>(4,451,484)</u>	<u>3,428,545</u>	
7		TOTAL SALES TO ULTIMATE CONSUMERS	270,779,981		270,779,981	(131,185,560)	139,594,421	
8	483-484	SALES FOR RESALE	4,874,012	100.000%	4,874,012	(1,571,751)	3,302,261	
9	496	PROVISION FOR RATE REFUNDS	<u>-</u>	100.000%	<u>-</u>	<u>-</u>	<u>-</u>	
10		TOTAL SALES OF GAS	<u>275,653,993</u>		<u>275,653,993</u>	<u>(132,757,311)</u>	<u>142,896,682</u>	
11		<u>OTHER OPERATING REVENUES:</u>						
12	487	FORFEITED DISCOUNTS	1,032,412	100.000%	1,032,412	-	1,032,412	
13	488	MISCELLANEOUS SERVICE REVENUE	81,954	100.000%	81,954	-	81,954	
14	489	TRANSPORTATION OF GAS OF OTHERS	7,701,633	100.000%	7,701,633	(3,841)	7,697,792	
15	493	RENT FROM GAS PROPERTY	380,951	100.000%	380,951	-	380,951	
16	495	OTHER GAS REVENUE	<u>630</u>	100.000%	<u>630</u>	<u>-</u>	<u>630</u>	
17		TOTAL OTHER OPERATING REVENUES	<u>9,197,579</u>		<u>9,197,579</u>	<u>(3,841)</u>	<u>9,193,739</u>	
18		TOTAL OPERATING REVENUES	<u>284,851,572</u>		<u>284,851,572</u>	<u>(132,761,152)</u>	<u>152,090,421</u>	
19		<u>OPERATING EXPENSES</u>						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>OTHER GAS SUPPLY EXPENSES:</u>						
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	110,402,592	100.000%	110,402,592	(110,402,592)	-	
23	804	NATURAL GAS CITY GATE PURCHASES	-	0.000%	-	-	-	
24	805	OTHER GAS PURCHASES	(6,506,849)	100.000%	(6,506,849)	6,506,849	-	
25	806	EXCHANGE GAS	1,118,307	100.000%	1,118,307	(1,118,307)	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
26	807	PURCHASED GAS EXPENSE	846,675	100.000%	846,675	-	846,675	
27	808	GAS WITHDRAWN FROM STORAGE	(4,857,227)	100.000%	(4,857,227)	4,857,227	-	
28	810	GAS USED FOR COMPRESSOR STATION FUEL	(440,883)	100.000%	(440,883)	-	(440,883)	
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	(83,643)	100.000%	(83,643)	83,643	-	
30	813	OTHER GAS SUPPLY EXPENSES	-	100.000%	-	-	-	
31		TOTAL OTHER GAS SUPPLY EXPENSES	<u>100,478,972</u>		<u>100,478,972</u>	<u>(100,073,180)</u>	<u>405,792</u>	
32		<u>UNDERGROUND STORAGE EXPENSES:</u>						
33	814	OPERATION SUPERVISION AND ENGINEERING	842,562	100.000%	842,562	-	842,562	
34	816	WELLS EXPENSE	73,295	100.000%	73,295	-	73,295	
35	817	LINES EXPENSE	399,603	100.000%	399,603	-	399,603	
36	818	COMPRESSOR STATION EXPENSES	2,165,605	100.000%	2,165,605	-	2,165,605	
37	819	COMPRESSOR STATION FUEL AND POWER	440,883	100.000%	440,883	-	440,883	
38	821	PURIFICATION EXPENSES	1,531,583	100.000%	1,531,583	-	1,531,583	
39	823	GAS LOSSES	1,503,424	100.000%	1,503,424	(1,503,424)	-	
40	824	OTHER EXPENSES	23,768	100.000%	23,768	-	23,768	
41	825	STORAGE WELL ROYALTIES	146,772	100.000%	146,772	-	146,772	
42	826	RENTS-STORAGE FIELDS	-	0.000%	-	-	-	
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	599,828	100.000%	599,828	-	599,828	
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	316,735	100.000%	316,735	-	316,735	
45	833	MAINTENANCE OF LINES	510,511	100.000%	510,511	-	510,511	
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	485,423	100.000%	485,423	-	485,423	
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	34,902	100.000%	34,902	-	34,902	
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	941,485	100.000%	941,485	-	941,485	
49	837	MAINTENANCE OF OTHER EQUIPMENT	<u>309,569</u>	100.000%	<u>309,569</u>	-	<u>309,569</u>	
50		TOTAL UNDERGROUND STORAGE EXPENSES	<u>10,325,949</u>		<u>10,325,949</u>	<u>(1,503,424)</u>	<u>8,822,525</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY		UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	JURIS. PERCENT (2)				
			\$		\$	\$	\$	ALL GAS 100%
51		<u>TRANSMISSION EXPENSES:</u>						
52	850	OPERATION SUPERVISION AND ENGINEERING	934,397	100.000%	934,397	-	934,397	
53	851	SYSTEM CONTROL AND LOAD DISPATCHING	406,326	100.000%	406,326	-	406,326	
54	852	COMMUNICATION SYSTEM EXPENSES	-	100.000%	-	-	-	
55	856	MAIN EXPENSES	612,024	100.000%	612,024	-	612,024	
56	859	OTHER EXPENSES	-	100.000%	-	-	-	
57	860	RENTS-GAS TRANSMISSION	12,517	100.000%	12,517	-	12,517	
58	863	MAINTENANCE OF MAINS	<u>1,564,354</u>	100.000%	<u>1,564,354</u>	-	<u>1,564,354</u>	
59		TOTAL TRANSMISSION EXPENSES	<u>3,529,619</u>		<u>3,529,619</u>	-	<u>3,529,619</u>	
60		<u>DISTRIBUTION EXPENSES:</u>						
61	870	OPERATION SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
62	871	DISTRIBUTION LOAD DISPATCHING	613,376	100.000%	613,376	-	613,376	
63	874	MAINS AND SERVICES EXPENSES	3,347,444	100.000%	3,347,444	32,997	3,380,442	
64	875	MEASURING AND REGULATING STATION EXP - GEN.	1,115,726	100.000%	1,115,726	-	1,115,726	
65	876	MEASURING AND REGULATING STATION EXP - IND.	354,703	100.000%	354,703	-	354,703	
66	877	MEASURING AND REGULATING STATION EXP - CG	152,240	100.000%	152,240	-	152,240	
67	878	METER AND HOUSE REGULATOR EXPENSE	1,995,007	100.000%	1,995,007	(895,158)	1,099,849	
68	879	CUSTOMER INSTALLATIONS EXPENSE	174,037	100.000%	174,037	194,398	368,434	
69	880	OTHER EXPENSES	3,804,727	100.000%	3,804,727	(204,398)	3,600,330	
70	881	RENTS-GAS DISTRIBUTION	6,663	100.000%	6,663	-	6,663	
71	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	100.000%	-	-	-	
72	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	100.000%	-	-	-	
73	887	MAINTENANCE OF MAINS	9,278,665	100.000%	9,278,665	309,384	9,588,049	
74	889	MTCE OF MEASURING AND REGULATING STATION EXP - GEN.	65,970	100.000%	65,970	-	65,970	
75	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	280,438	100.000%	280,438	-	280,438	
76	891	MTCE MEASURING AND REGULATING STATION EXP - CG	396,498	100.000%	396,498	-	396,498	
77	892	MAINTENANCE OF SERVICES	1,347,930	100.000%	1,347,930	(303,192)	1,044,738	
78	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	100.000%	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
74	894	MAINTENANCE OF OTHER EQUIPMENT	462,217	100.000%	462,217	-	462,217	
75		TOTAL DISTRIBUTION EXPENSES	23,395,643		23,395,643	(865,968)	22,529,675	
76		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
77	901	CUSTOMER ACCTS SUPERVISION	868,896	100.000%	868,896	-	868,896	
78	902	METER READING EXPENSES	1,870,066	100.000%	1,870,066	-	1,870,066	
79	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	5,335,363	100.000%	5,335,363	-	5,335,363	
80	904	UNCOLLECTIBLE ACCOUNTS	421,173	100.000%	421,173	(149,524)	271,648	
81	905	MISC CUSTOMER ACCOUNTS EXPENSE	3,308	100.000%	3,308	-	3,308	
82		TOTAL CUSTOMER ACCOUNTS EXPENSES	8,498,805		8,498,805	(149,524)	8,349,281	
83		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
84	907	CUSTOMER SERVICE AND INFO SUPERVISION	90,412	100.000%	90,412	-	90,412	
85	908	CUSTOMER ASSISTANCE EXPENSES	3,802,918	100.000%	3,802,918	(3,278,356)	524,562	
86	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	84,260	100.000%	84,260	-	84,260	
87	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	196,300	100.000%	196,300	-	196,300	
88		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	4,173,890		4,173,890	(3,278,356)	895,534	
89		<u>SALES EXPENSES:</u>						
90	911	SALES SUPERVISION	-	100.000%	-	-	-	
91	912	DEMONSTRATING AND SELLING EXPENSES	-	100.000%	-	-	-	
92	913	ADVERTISING EXPENSES	258,883	100.000%	258,883	-	258,883	
93	916	MISC SALES EXPENSES	-	100.000%	-	-	-	
94		TOTAL SALES EXPENSES	258,883		258,883	-	258,883	
95		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
96	920	ADMINISTRATIVE AND GENERAL SALARIES	7,231,334	100.000%	7,231,334	-	7,231,334	
97	921	OFFICE SUPPLIES AND EXPENSES	1,517,249	100.000%	1,517,249	-	1,517,249	
98	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(888,291)	100.000%	(888,291)	-	(888,291)	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
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LINE NO.	ACCT. NO.	ACCOUNT TITLE	UNADJUSTED TOTAL COMPANY	JURIS. PERCENT	UNADJUSTED JURISDICTION	JURISDICTIONAL ADJUSTMENTS SCH D-2	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL METHOD / DESCRIPTION
			(1)	(2)	(3)	(4)	(5)	(6)
			\$		\$	\$	\$	ALL GAS 100%
99	923	OUTSIDE SERVICES	3,815,811	100.000%	3,815,811	-	3,815,811	
100	924	PROPERTY INSURANCE	209,464	100.000%	209,464	-	209,464	
101	925	INJURIES AND DAMAGES	496,782	100.000%	496,782	-	496,782	
102	926	EMPLOYEE PENSION AND BENEFITS	7,880,156	100.000%	7,880,156	-	7,880,156	
103	927	FRANCHISE REQUIREMENTS	-	0.000%	-	-	-	
104	928	REGULATORY COMMISSION EXPENSES	108,994	100.000%	108,994	-	108,994	
105	929	DUPLICATE CHARGES--CREDIT	(460,225)	100.000%	(460,225)	-	(460,225)	
106	930.1	GENERAL ADVERTISING EXPENSES	8,835	100.000%	8,835	-	8,835	
107	930.2	MISC GENERAL EXPENSES	413,650	100.000%	413,650	-	413,650	
108	931	RENTS	308,309	100.000%	308,309	-	308,309	
109	935	MAINTENANCE OF GENERAL PLANT	291,985	100.000%	291,985	-	291,985	
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>20,934,055</u>		<u>20,934,055</u>	-	<u>20,934,055</u>	
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>171,595,816</u>		<u>171,595,816</u>	<u>(105,870,453)</u>	<u>65,725,363</u>	
112	403-404	DEPRECIATION AND AMORTIZATION	34,754,250	100.000%	34,754,250	(6,381,571)	28,372,679	
113	408.1	TAXES OTHER THAN INCOME TAXES	9,952,410	100.000%	9,952,410	(2,133,730)	7,818,680	
114	409-411	FEDERAL INCOME TAXES	18,556,287	100.000%	18,556,287	(4,940,223)	13,616,064	
115	409-411	STATE INCOME TAXES	3,304,025	100.000%	3,304,025	(869,436)	2,434,589	
116	411.4	INVESTMENT TAX CREDIT	(58,104)	100.000%	(58,104)	-	(58,104)	
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	100.000%	-	-	-	
118		TOTAL OPERATING EXPENSES	<u>238,104,684</u>		<u>238,104,684</u>	<u>(120,195,412)</u>	<u>117,909,272</u>	
119		NET OPERATING INCOME	<u>46,746,888</u>		<u>46,746,888</u>	<u>(12,565,739)</u>	<u>34,181,149</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARISON OF GAS UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: ___X___ BASE PERIOD ___FORECASTED PERIOD
TYPE OF FILING: ___ORIGINAL ___X___ UPDATED ___REVISED
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Line No.	Acct No.	Account Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL
1	403-404	DEPRECIATION AND AMORTIZATION EXPENSE	2,826,413	2,835,638	2,849,082	2,846,118	2,842,041	2,864,650	2,882,136	2,899,242	2,919,683	2,953,903	3,009,066	3,026,277	34,754,250
2	408.1	TAXES OTHER THAN INCOME TAXES	822,499	912,591	880,202	839,839	832,324	825,850	809,594	824,188	824,850	790,705	790,134	799,634	9,952,410
3	411.8	LOSS/(GAIN) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	-	-	-	-	-	-	-
4	480	RESIDENTIAL REVENUE	(16,013,204)	(13,245,714)	(9,415,178)	(7,917,575)	(7,774,248)	(8,056,300)	(8,089,200)	(10,229,727)	(18,337,483)	(30,595,923)	(30,449,795)	(24,429,879)	(184,554,228)
5	481.1	COMMERCIAL REVENUE	(6,134,271)	(4,419,822)	(3,662,065)	(3,140,530)	(3,014,537)	(3,216,722)	(3,190,664)	(3,755,718)	(6,456,235)	(11,285,281)	(11,730,589)	(9,366,978)	(69,373,411)
6	481.2	INDUSTRIAL REVENUE	(615,201)	(459,734)	(617,728)	(549,358)	(445,341)	(529,598)	(543,928)	(751,146)	(1,306,142)	(1,212,429)	(895,557)	(1,046,151)	(8,972,313)
7	482	OTHER SALES TO PUBLIC AUTHORITIES REVENUE	(760,313)	(422,539)	(352,540)	(266,509)	(238,255)	(287,208)	(375,983)	(740,029)	(1,406,845)	(1,477,291)	(1,276,858)	(7,880,030)	(7,880,030)
8	483-484	SALES FOR RESALE REVENUE	(475,667)	(348,813)	(378,385)	(412,001)	(402,371)	(412,931)	(702,436)	(402,732)	(318,115)	(373,280)	(282,505)	(364,776)	(4,874,012)
9	487	FORFEITED DISCOUNTS	(163,140)	(86,537)	(65,518)	(60,626)	(56,646)	(69,647)	(50,746)	(43,953)	(30,102)	(74,153)	(162,501)	(176,424)	(1,032,412)
10	488	MISCELLANEOUS SERVICE REVENUE	(14,056)	(14,897)	(11,705)	(10,389)	(5,666)	(5,088)	(3,697)	(3,189)	(3,329)	(2,853)	(3,854)	(3,228)	(81,954)
11	489	TRANSPORTATION OF GAS OF OTHERS	(718,149)	(565,769)	(640,352)	(549,168)	(543,121)	(543,496)	(527,162)	(574,614)	(699,543)	(883,055)	(802,453)	(654,752)	(7,701,633)
12	493	RENT FROM GAS PROPERTY	(19,071)	(14,444)	(50,695)	(32,477)	(32,479)	(32,473)	(32,464)	(14,684)	(51,148)	(32,987)	(34,019)	(34,010)	(380,951)
13	495	OTHER GAS REVENUE	(15)	(15)	(242)	(15)	(15)	(15)	(15)	(15)	(243)	(15)	(15)	(15)	(630)
14	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	5,688,584	3,697,692	4,449,431	6,471,243	11,509,883	12,398,339	12,762,664	13,025,120	8,339,260	15,340,575	10,182,805	6,536,996	110,402,592
15	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	-	-	-	-	-	-	-	-
16	805	OTHER GAS PURCHASES	(2,025,373)	(1,128,069)	(572,628)	447,831	(327,925)	473,547	(399,979)	40,691	654,839	(1,493,961)	(1,797,211)	(378,611)	(6,506,849)
17	806	EXCHANGE GAS	35,086	(1,445,470)	(1,786,233)	(432,340)	(973,307)	(374,540)	194,086	(24,626)	1,547,974	1,714,313	1,340,770	1,322,323	1,118,307
18	807	PURCHASED GAS EXPENSE	77,812	68,049	68,876	73,020	93,433	73,199	62,313	68,092	65,308	61,751	70,150	64,673	846,675
19	808	GAS WITHDRAWN FROM STORAGE	4,507,471	4,690,566	1,629,921	(3,828,367)	(7,804,895)	(9,647,039)	(9,704,566)	(9,220,455)	487,284	6,569,641	10,701,416	6,761,795	(4,457,227)
20	810	GAS USED FOR COMPRESSOR STATION FUEL	(73,342)	(37,863)	(4,778)	(1,201)	(727)	(3,386)	(6,890)	5,676	(14,597)	(87,597)	(124,402)	(91,774)	(4,480,883)
21	812	GAS USED FOR OTHER UTILITY OPERATIONS	(15,229)	(10,849)	(4,417)	(4,439)	(2,674)	(3,855)	(1,219)	(799)	(4,346)	(10,878)	(14,360)	(10,578)	(83,643)
22	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
23	814	OPERATION SUPERVISION AND ENGINEERING	64,607	60,657	75,138	63,365	74,088	74,611	72,866	64,251	87,540	70,401	78,837	55,200	842,562
24	816	WELLS EXPENSE	7,404	4,189	4,955	6,190	5,422	6,238	5,562	10,342	8,413	5,595	5,221	3,763	73,295
25	817	LINES EXPENSE	31,480	29,988	51,880	47,054	32,552	18,997	40,581	27,482	25,914	31,410	34,892	27,373	399,603
26	818	COMPRESSOR STATION EXPENSES	231,097	178,163	157,701	162,741	144,558	176,095	163,773	134,888	204,597	242,413	201,196	168,383	2,165,605
27	819	COMPRESSOR STATION FUEL AND POWER	73,342	37,863	4,778	1,201	727	3,386	6,890	(5,676)	14,597	87,597	124,402	91,774	440,883
28	821	PURIFICATION EXPENSES	259,804	196,133	167,552	6,600	4,373	3,927	(13,262)	2,766	77,535	263,532	223,527	339,095	1,531,583
29	823	GAS LOSSES	103,449	87,678	90,221	90,182	113,562	128,110	143,354	161,181	164,224	157,866	139,903	123,694	1,503,424
30	824	OTHER EXPENSES	1,529	1,529	1,529	1,529	1,529	1,529	1,529	(7,423)	15,523	1,719	1,719	1,719	23,768
31	825	STORAGE WELL ROYALTIES	17,166	32,050	5,879	4,264	26,235	14,786	2,578	10,741	5,607	4,048	19,141	4,277	146,772
32	826	RENTS-STORAGE FIELDS	-	-	-	-	-	-	-	-	-	-	-	-	-
33	830	MAINTENANCE SUPERVISION AND ENGINEERING	51,316	42,856	50,374	48,453	58,443	54,726	55,064	41,692	42,921	48,505	51,886	53,593	599,828
34	832	MAINTENANCE OF RESERVOIRS AND WELLS	5,446	4,218	205,824	163,360	(87,505)	2,034	1,609	1,301	11,452	4,777	1,362	2,856	316,735
35	833	MAINTENANCE OF LINES	21,391	55,186	40,698	37,557	66,564	54,003	53,861	40,650	59,131	31,469	24,381	25,621	510,511
36	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	45,564	35,047	49,855	56,781	60,661	24,833	(1,224)	43,352	34,496	58,056	46,798	31,203	485,423
37	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	5,325	3,133	1,454	7,043	452	2,099	1,755	934	444	4,404	5,591	2,269	34,902
38	836	MAINTENANCE OF PURIFICATION EQUIPMENT	44,629	43,906	42,494	86,954	89,597	110,261	127,287	111,542	87,016	62,008	85,991	49,800	941,485
39	837	MAINTENANCE OF OTHER EQUIPMENT	23,327	24,946	38,873	23,490	23,141	33,029	30,358	32,126	42,408	27,812	6,510	3,551	309,569
40	850	OPERATION SUPERVISION AND ENGINEERING	39,003	36,621	35,820	101,902	43,589	162,867	106,688	115,146	115,615	70,709	53,494	52,946	934,397
41	851	SYSTEM CONTROL AND LOAD DISPATCHING	34,816	31,339	30,976	33,078	28,293	33,853	31,657	33,401	34,680	31,295	42,483	40,453	406,326
42	852	COMMUNICATION SYSTEM EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
43	856	MAIN EXPENSES	82,508	37,558	44,685	46,791	60,059	72,598	57,943	54,951	40,961	39,948	41,909	32,113	612,024
44	859	OTHER EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
45	860	RENTS-GAS TRANSMISSION	-	5,670	580	-	-	1,742	-	100	-	3,655	-	771	12,517
46	863	MAINTENANCE OF MAINS	93,109	114,339	95,856	114,950	245,781	150,760	246,099	67,407	245,789	40,134	68,919	81,212	1,564,354
47	870	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
48	871	DISTRIBUTION LOAD DISPATCHING	53,658	44,996	45,387	47,820	41,311	52,621	46,370	48,618	53,455	46,141	71,092	61,907	613,376
49	874	MAINS AND SERVICES EXPENSES	394,849	303,436	307,882	332,443	234,364	266,720	254,985	284,377	264,760	209,573	199,779	294,276	3,347,444
50	875	MEASURING AND REGULATING STATION EXP - GEN.	66,176	98,121	36,870	99,865	104,382	137,406	131,125	96,068	89,284	125,663	73,550	57,216	1,115,726
51	876	MEASURING AND REGULATING STATION EXP - IND.	35,873	30,195	34,093	25,611	15,653	31,229	20,888	21,080	18,869	26,349	46,756	48,108	354,703
52	877	MEASURING AND REGULATING STATION EXP - CG	24,723	10,564	12,868	8,399	6,795	6,970	7,388	12,329	16,640	14,799	15,413	15,353	152,240
53	878	METER AND HOUSE REGULATOR EXPENSE	146,390	114,503	130,528	227,855	122,144	136,103	138,338	152,000	212,573	286,698	185,595	142,281	1,995,007
54	879	CUSTOMER INSTALLATIONS EXPENSE	13,076	10,626	12,178	13,037	6,850	12,324	9,062	19,658	21,166	22,967	20,383	12,710	174,037
55	880	OTHER EXPENSES	325,098	278,547	357,244	293,339	316,326	236,296	328,872	345,212	321,072	383,567	255,967	363,186	3,804,727
56	881	RENTS-GAS DISTRIBUTION	-	-	4,033	-	100	2,515	-	15	-	-	-	-	6,663
57	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	-	-	-	-	-	-	-
58	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
59	887	MAINTENANCE OF MAINS	796,109	782,348	903,924	640,439	680,668	879,058	672,401	780,536	750,633	872,033	652,489	868,027	9,278,665
60	889	MTCE OF MEASURING AND REGULATING STATION EXP - GI	1,828	7,162	5,417	9,721	10,371	9,024	3,846	940	1,345	4,536	9,089	2,694	65,970
61	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	44,771	32,771	20,437	14,228	18,479	20,635	7,013	3,602	1,818	13,379	50,562	52,743	280,438
62	891	MTCE MEASURING AND REGULATING STATION EXP - CG	23,298	76,491	21,242	13,074	30,737	27,778	21,991	28,609	41,620	36,352	41,924	33,383	396,498
63	892	MAINTENANCE OF SERVICES	144,057	136,835	135,308	139,859	150,983	(39,850)	120,010	109,522	96,284	143,999	109,396	101,527	1,347,930
64	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	-	-	-	-	-	-	-	-	-	-	-	-
65	894	MAINTENANCE OF OTHER EQUIPMENT	22,445	20,518	7,135	13,107	18,177	249,973	(18,365)	43,207	21,718	32,690	26,341	25,270	462,217
66	901	CUSTOMER ACCTS SUPERVISION	70,635	62,867	70,962	67,027	83,381	84,466	71,093	82,243	73,536	65,803	71,973	64,910	868,896

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPARISON OF GAS UTILITY ACTIVITY
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: ___X___ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___X___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE C-2.2
SHEET 2 OF 4

WITNESS: C. M. GARRETT

Line No.	Acct No.	Account Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL
67	902	METER READING EXPENSES	159,174	155,194	164,310	151,490	160,789	158,845	155,666	149,768	155,455	153,643	160,044	145,690	1,870,066
68	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	404,020	387,635	374,024	450,707	399,664	649,957	448,100	438,853	458,390	450,551	444,975	428,487	5,335,363
69	904	UNCOLLECTIBLE ACCOUNTS	97,318	30,107	(11,104)	(3,931)	(18,322)	13,000	(20,805)	18,459	31,217	88,629	115,087	81,516	421,173
70	905	MISC CUSTOMER ACCOUNTS EXPENSE	860	41	720	43	39	25	663	795	7	44	41	29	3,308
71	907	CUSTOMER SERVICE AND INFO SUPERVISION	4,435	3,844	4,098	4,560	2,802	27,327	4,888	8,908	7,778	7,970	7,112	6,689	90,412
72	908	CUSTOMER ASSISTANCE EXPENSES	220,197	254,405	324,613	314,266	389,293	403,723	314,697	356,655	293,958	243,643	408,996	278,472	3,802,918
73	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	10,117	(100)	7,578	11,337	1,532	17,644	15,931	5,853	3,318	4,768	3,807	2,474	84,260
74	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	15,608	12,069	12,842	12,529	17,932	13,377	9,619	18,073	22,675	10,914	14,106	36,557	196,300
75	911	SALES SUPERVISION	-	-	-	-	-	-	-	-	-	-	-	-	-
76	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
77	913	ADVERTISING EXPENSES	25,128	14,518	7,497	43,539	25,000	3,796	30,461	(14,688)	12,564	59,525	31,748	19,795	258,883
78	916	MISC SALES EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-
79	920	ADMINISTRATIVE AND GENERAL SALARIES	702,378	650,258	620,616	586,125	480,675	598,586	627,956	595,449	590,694	551,377	643,568	583,653	7,231,334
80	921	OFFICE SUPPLIES AND EXPENSES	127,263	130,187	118,393	116,852	138,543	130,621	88,437	73,740	141,826	163,540	138,702	149,145	1,517,249
81	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(75,820)	(74,149)	(68,411)	(67,244)	(58,529)	(73,471)	(68,765)	(69,042)	(72,262)	(111,888)	(77,630)	(71,080)	(888,291)
82	923	OUTSIDE SERVICES	421,510	378,891	369,712	338,143	286,607	270,605	341,133	271,348	279,892	330,997	254,920	272,055	3,815,811
83	924	PROPERTY INSURANCE	105,129	(45,776)	(3,152)	18,290	13,098	22,710	19,852	9,991	9,085	9,085	34,566	16,583	209,464
84	925	INJURIES AND DAMAGES	55,390	55,274	63,830	41,589	64,949	57,853	45,735	90,805	56,077	(6,097)	63,495	(92,117)	496,782
85	926	EMPLOYEE PENSION AND BENEFITS	818,329	683,458	686,807	562,439	537,966	650,737	597,829	446,976	475,491	882,515	785,754	751,855	7,880,156
86	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
87	928	REGULATORY COMMISSION EXPENSES	7,900	16,628	7,900	8,234	7,900	7,900	7,900	7,900	10,547	10,386	7,900	7,900	108,994
88	929	DUPLICATE CHARGES--CREDIT	(83,921)	(70,455)	(39,464)	(524)	(568)	(517)	(614)	(493)	(5,526)	(67,100)	(31,618)	(159,425)	(460,225)
89	930.1	GENERAL ADVERTISING EXPENSES	30	692	-	9,156	3,373	6,351	(9,283)	(69)	(1,524)	(317)	426	-	8,835
90	930.2	MISC GENERAL EXPENSES	40,404	47,639	43,548	34,634	50,035	13,526	23,474	35,288	31,672	25,807	41,588	26,036	413,650
91	931	RENTS	27,515	27,761	22,396	26,656	26,673	24,041	27,095	26,793	22,738	26,625	26,630	23,385	308,309
92	935	MAINTENANCE OF GENERAL PLANT	25,677	23,074	24,992	27,588	21,273	26,831	20,189	18,966	20,742	19,604	32,832	30,218	291,985
93		OPERATING (INCOME) LOSS	(6,561,230)	(4,241,754)	(1,650,576)	(791,255)	(960,691)	(279,493)	(1,187,692)	(3,066,183)	(7,296,610)	(13,588,441)	(15,476,010)	(13,449,162)	(68,549,096)

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(d)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - ELECTRIC OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

D-1	SUMMARY OF JURISDICTIONAL ADJUSTMENTS
D-2	JURISDICTIONAL ADJUSTMENTS
D-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS
WPD-2	JURISDICTIONAL ADJUSTMENTS WORKPAPER
WPD-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017 AND FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 1 OF 9
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
1		OPERATING REVENUES						
2		<u>SALES OF ELECTRICITY:</u>						
3	440	RESIDENTIAL	374,455,594	5,712,347	380,167,941	-	380,167,941	Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates. Base period actuals also reflect lower energy usage resulting in lower base energy and base fuel revenue.
4	442.2	COMMERCIAL	330,434,992	(8,162,822)	322,272,170	26,976	322,299,146	Variance reflects forecasted decrease in billing determinants from the base period to the forecasted period at current tariff rates. Base period actuals also reflect higher than expected demand revenue and base fuel revenue.
5	442.3	INDUSTRIAL	160,004,257	10,067,804	170,072,061	(350,537)	169,721,524	Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates. Base period actuals also reflect lower than expected demand revenue and base fuel revenue.
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	2,883,643	43,127	2,926,770	-	2,926,770	Variance reflects forecasted increase in billing determinants from the base period to the forecasted period at current tariff rates.
7	445	OTHER SALES TO PUBLIC AUTHORITIES	85,912,790	8,629	85,921,419	(167,256)	85,754,163	Variance reflects forecasted decrease in billing determinants from the base period to the forecasted period at current tariff rates.
8		TOTAL SALES TO ULTIMATE CONSUMERS	953,691,276	7,669,086	961,360,362	(490,817)	960,869,545	
9	447	SALES FOR RESALE	27,076,775	15,894,270	42,971,045	(8,423,260)	34,547,785	Variance is driven by higher intercompany sales to KU partially offset by the ECR off-system sales revenue pro forma adjustment.
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	
11		TOTAL SALES OF ELECTRICITY	980,768,051	23,563,356	1,004,331,406	(8,914,077)	995,417,330	
12		<u>OTHER OPERATING REVENUES:</u>						
13	450	LATE PAYMENT CHARGES	2,780,542	(157,015)	2,623,527	-	2,623,527	Variance reflects trend in this account and is based on a historic average.
14	451	ELECTRIC SERVICE REVENUES	1,238,716	360,588	1,599,304	-	1,599,304	Variance reflects trend in this account and is based on a historic average.
15	454	RENT FROM ELECTRIC PROPERTY	3,864,395	(78,555)	3,785,840	-	3,785,840	Variance reflects trend in this account and is based on a historic average.
16	456	OTHER MISCELLANEOUS REVENUE	11,787,385	1,988,267	13,775,652	-	13,775,652	Variance reflects increase in transmission revenues.
17		TOTAL OTHER OPERATING REVENUES	19,671,038	2,113,285	21,784,323	-	21,784,323	
18		TOTAL OPERATING REVENUES	1,000,439,089	25,676,641	1,026,115,729	(8,914,077)	1,017,201,653	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017 AND FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: X _BASE PERIOD X _FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISIED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 2 OF 9
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
19		OPERATING EXPENSES						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>STEAM GENERATION:</u>						
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	5,361,593	(438,608)	4,922,985	-	4,922,985	Lower labor in base year partially offset in FERC 502 and engineering labor at generating plants budgeted in Maintenance supervision (510) to align with responsibilities.
23	501	FUEL	283,107,894	10,804,828	293,912,722	-	293,912,722	Variance in fuel is largely offset by higher intercompany sales to KU and the FAC pro forma adjustment.
24	502	STEAM EXPENSES	16,788,030	1,738,077	18,526,106	-	18,526,106	Increase in labor partially offset by lower labor in FERC 500
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	
26	505	ELECTRIC EXPENSES	2,573,886	43,333	2,617,219	-	2,617,219	Customary changes in the ordinary course of business.
27	506	MISC STEAM POWER EXPENSES	9,566,225	379,940	9,946,165	-	9,946,165	Increase in ammonia pricing at Mill Creek and Trimble units.
28	507	RENTS	33,000	(33,000)	-	-	-	- Item not budgeted in forecast period due to immateriality.
29	509	ALLOWANCES	73	(73)	-	-	-	- Item not budgeted in forecast period due to immateriality.
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	4,860,488	(508,643)	4,351,845	-	4,351,845	Engineering labor at generating plants budgeted in Maintenance supervision to align with responsibilities offset by forecasted test year labor for Trimble County budgeted to FERC 511 instead of FERC 510
31	511	MAINTENANCE OF STRUCTURES	3,457,422	670,879	4,128,301	-	4,128,301	Forecasted test period labor for Trimble County budgeted to FERC 511 instead of FERC 510
32	512	MAINTENANCE OF BOILER PLANT	29,840,982	4,416,499	34,257,481	-	34,257,481	Major planned generator overhauls in forecasted test period for Trimble County units 1 and 2.
33	513	MAINTENANCE OF ELECTRIC PLANT	7,452,441	7,968,573	15,421,014	-	15,421,014	Major planned turbine overhaul in forecasted test period for Mill Creek units and Trimble County unit 1.
34	514	MAINTENANCE OF MISC STEAM PLANT	2,571,472	(1,498,652)	1,072,820	-	1,072,820	Primarily obsolete inventory write offs in base period due to new equipment at the plants.
35		TOTAL STEAM GENERATION	365,613,507	23,543,152	389,156,659	-	389,156,659	
36		<u>HYDRAULIC GENERATION:</u>						
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	125,796	(4,390)	121,406	-	121,406	Customary changes in the ordinary course of business.
38	536	WATER FOR POWER	39,092	1,522	40,614	-	40,614	Customary changes in the ordinary course of business.
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
40	538	ELECTRIC EXPENSES	319,641	(139,480)	180,161	-	180,161	Base period includes higher labor charges in FERC 538 that are included in FERC 539 in forecasted test period.
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	137,398	211,394	348,792	-	348,792	Base period includes higher labor charges in FERC 538 that are included in FERC 539 in forecasted test period.
42	540	RENTS	582,092	(36,692)	545,400	-	545,400	Customary changes in the ordinary course of business.
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	
44	542	MAINTENANCE OF STRUCTURES	255,913	(10,921)	244,992	-	244,992	Customary changes in the ordinary course of business.
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	80,683	110,102	190,785	-	190,785	Increase in maintenance of headwater equipment at Ohio Falls
46	544	MAINTENANCE OF ELECTRIC PLANT	383,100	(11,981)	371,119	-	371,119	Customary changes in the ordinary course of business.
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	56,324	2,648	58,972	-	58,972	Customary changes in the ordinary course of business.
48		TOTAL HYDRAULIC GENERATION	1,980,039	122,202	2,102,241	-	2,102,241	
49		<u>OTHER GENERATION:</u>						
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	351,800	252,385	604,185	-	604,185	Forecasted test period costs related to Cane Run 7 - offset in FERC 554.
51	547	OTHER FUEL	44,168,377	13,149,287	57,317,664	-	57,317,664	Variance in other fuel is largely offset by higher intercompany sales to KU and the FAC pro forma adjustment.
52	548	GENERATION EXPENSES	217,421	63,314	280,735	-	280,735	Minor consumables (grease, oil, etc), small tools and equipment analysis needed for operation of Cane Run 7.
53	549	MISC OTHER POWER GENERATION EXPENSES	1,064,288	41,250	1,105,538	-	1,105,538	Customary changes in the ordinary course of business.
54	550	RENTS	21,239	(15,533)	5,706	-	5,706	Customary changes in the ordinary course of business.
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	126,370	130,328	256,698	-	256,698	Forecasted test period costs related to Cane Run 7 - offset in FERC 554
56	552	MAINTENANCE OF STRUCTURES	274,805	285,868	560,673	-	560,673	Major planned overhaul in forecasted test period for Cane Run 7.
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	1,738,270	914,233	2,652,503	-	2,652,503	Major planned overhaul in forecasted test period for EW Brown Unit 6.
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	1,306,331	(193,543)	1,112,788	-	1,112,788	Forecasted test period costs related to Cane Run 7 - offset in FERC 546 and 551.
59		TOTAL OTHER GENERATION	49,268,901	14,627,589	63,896,490	-	63,896,490	
60		<u>OTHER POWER SUPPLY:</u>						

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
61	555	PURCHASED POWER	54,348,399	(410,721)	53,937,678	-	53,937,678	Customary changes in the ordinary course of business. Variance is based on three headcount moved into Power Supply department (charging FERC 556), one headcount from Economic Analysis (previously charging FERC 920) and two from Generation Planning (previously charging FERC 500).
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	1,095,670	152,718	1,248,388	-	1,248,388	Base period included a reclassification of costs to Account 502 and Account 506.
63	557	OTHER EXPENSES	(240)	4,047	3,807	-	3,807	
64		TOTAL OTHER POWER SUPPLY	55,443,829	(253,956)	55,189,873	-	55,189,873	
65		TOTAL PRODUCTION EXPENSES	472,306,275	38,038,988	510,345,263	-	510,345,263	
66		<u>TRANSMISSION EXPENSES:</u>						
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	886,451	126,876	1,013,327	-	1,013,327	Higher percentage of Protection and Control labor charged to O&M than capital in the Forecasted Period for relay settings work.
68	561	LOAD DISPATCHING	2,178,088	30,495	2,208,583	-	2,208,583	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
69	562	STATION EXPENSES	835,649	93,300	928,949	-	928,949	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
70	563	OVERHEAD LINE EXPENSES	320,278	(75,980)	244,298	-	244,298	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	(163,243)	199,881	36,638	-	36,638	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
73	566	MISC TRANSMISSION EXPENSES	6,115,718	833,222	6,948,940	-	6,948,940	Variance is primarily due to Transmission depancking expenses for former KU Municipal customers.
74	567	RENTS	53,048	14,452	67,500	-	67,500	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
77	570	MAINTENANCE OF STATION EQUIPMENT	1,631,629	(141,297)	1,490,332	-	1,490,332	Customary changes in the ordinary course of business based on specific work scheduled in a given period charged in accordance with the Transmission Coordination Agreement inclusive of wage and cost inflation.
78	571	MAINTENANCE OF OVERHEAD LINES	2,133,390	1,209,491	3,342,881	-	3,342,881	Variance is driven by change to "Cycle" based line clearing, enhanced corrosion prevention and switch maintenance programs.
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	195,964	32,099	228,063	-	228,063	Customary changes in the ordinary course of business.
81	575	MISO DAY 1 AND 2 EXPENSE	(254,095)	254,095	-	-	-	Reflects MISO regulatory liability amortization, which ended in December 2016.
82		TOTAL TRANSMISSION EXPENSES	13,932,878	2,576,633	16,509,511	-	16,509,511	
83		<u>DISTRIBUTION EXPENSES:</u>						
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	1,528,450	286,174	1,814,624	-	1,814,624	Increase is driven by storms, the test year is based on a 10-year average. Increase also due to Safety costs which were budgeted to FERC 580 for the test year but a portion of the actuals are in FERC 560 in the base year.
85	581	LOAD DISPATCHING	677,155	64,519	741,674	-	741,674	Customary changes in the ordinary course of business.
86	582	STATION EXPENSES	1,910,263	31,394	1,941,657	-	1,941,657	Customary changes in the ordinary course of business.
87	583	OVERHEAD LINE EXPENSES	5,568,072	312,600	5,880,672	-	5,880,672	Increase is primarily driven by storms, the test year is based on a 10-year average. Increase also due to additional restoration coordinator labor expenses associated with the Distribution Automation Project. These increases are partially offset by Louisville Electric Distribution Construction budget being recorded to FERC 583, but included in FERC 593 in the test year.
88	584	UNDERGROUND LINE EXPENSES	433,685	102,040	535,725	-	535,725	Increase is primarily due to UPS cable testing, which did not occur in the base year.
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	
90	586	METER EXPENSES	6,613,440	1,664,101	8,277,541	-	8,277,541	Increase is due primarily to Advanced Meter System project expenses associated with removing, shipping, tracking and testing the existing meters that are being removed.
91	587	CUSTOMER INSTALLATIONS EXPENSES	(132,600)	53,400	(79,200)	-	(79,200)	Customary changes in the ordinary course of business.

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
92	588	MISC DISTRIBUTION EXPENSES	4,829,611	764,119	5,593,730	-	5,593,730	Increase is due to additional restoration coordinator labor expense associated with the Distribution Automation project and IT maintenance costs for Distribution systems previously charged to FERC 923 switched to FERC 588.
93	589	RENTS	14,106	(5,941)	8,165	-	8,165	Customary changes in the ordinary course of business.
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	20,718	57,132	77,850	-	77,850	Customary changes in the ordinary course of business.
95	591	MAINTENANCE OF STRUCTURES	696	(696)	-	-	-	Customary changes in the ordinary course of business.
96	592	MAINTENANCE OF STATION EQUIPMENT	1,172,406	(4,540)	1,167,866	-	1,167,866	Customary changes in the ordinary course of business.
97	593	MAINTENANCE OF OVERHEAD LINES	21,502,873	2,162,476	23,665,349	-	23,665,349	Increase is primarily driven by storms, the test year is based on a 10-year average. Tree trimming costs are also higher in the test year. Increase also due to Louisville Electric Distribution Construction budget being recorded to FERC 583, but included in FERC 593 in the test year.
98	594	MAINTENANCE OF UNDERGROUND LINES	1,167,082	436,975	1,604,057	-	1,604,057	Increase to repair defective underground equipment, increase in trouble orders, increase in network vault maintenance and timing of vault work. Storm costs are slightly higher in the test year also.
99	595	MAINTENANCE OF LINE TRANSFORMERS	141,396	193,339	334,735	-	334,735	The increase is primarily due to the timing of transformer maintenance in the test year.
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	404,010	(48,669)	355,341	-	355,341	Customary changes in the ordinary course of business.
101	597	MAINTENANCE OF METERS	-	1,427,898	1,427,898	-	1,427,898	Test year includes Advanced Meter System expenses associated with repairs to the customer-owned bases of the meters that are attached to the customer's property.
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	557,273	114,559	671,832	-	671,832	Increase is primarily driven by storms. Test year is based on a 10-year average.
103		TOTAL DISTRIBUTION EXPENSES	46,408,637	7,610,879	54,019,516	-	54,019,516	
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
105	901	CUSTOMER ACCTS SUPERVISION	1,105,867	161,669	1,267,537	-	1,267,537	The base year is lower than the test year due primarily to vacancies.
106	902	METER READING EXPENSES	2,380,084	166,290	2,546,374	-	2,546,374	Increase is primarily due to an incremental team leader position.
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	6,792,159	907,465	7,699,624	-	7,699,624	The increase is due to the new Advanced Meter System program, CCS/SAP implementation costs, higher postage costs, higher software maintenance costs (previously charged to FERC 923).
108	904	UNCOLLECTIBLE ACCOUNTS	1,763,376	713,802	2,477,177	-	2,477,177	Forecasted test year includes write offs based on a five year average of 0.226% percent of revenues.

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			\$	\$	\$	\$	\$	
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	4,210	(2,922)	1,288	-	1,288	Customary changes in the ordinary course of business.
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	12,045,696	1,946,304	13,992,000	-	13,992,000	
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	326,826	37,759	364,585	-	364,585	Customary changes in the ordinary course of business. The base year is understated by \$430k due to an allocation issue of journal entries between Electric and Gas jurisdictions. A corresponding offset is included in account 908 for the Gas jurisdiction.
113	908	CUSTOMER ASSISTANCE EXPENSES	(90,501)	380,322	289,821	-	289,821	The base year includes costs for Neighbor-to-Nighbor communications. In addition, customer newsletters and bill inserts are lower in the test year.
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	417,642	(160,170)	257,472	-	257,472	Increase is due to costs associated with the Advanced Meter System expenses and customer notifications.
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	719,002	104,661	823,663	-	823,663	
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	1,372,969	362,573	1,735,542	-	1,735,542	
117		<u>SALES EXPENSES:</u>						
118	911	SALES SUPERVISION	-	-	-	-	-	
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	
120	913	ADVERTISING EXPENSES	996,144	(45,297)	950,847	(950,847)	-	Expenses are removed from net operating income in setting base rates.
121	916	MISC SALES EXPENSES	-	-	-	-	-	
122		TOTAL SALES EXPENSES	996,144	(45,297)	950,847	(950,847)	-	
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
124	920	ADMINISTRATIVE AND GENERAL SALARIES	25,470,651	1,860,184	27,330,835	-	27,330,835	Variance reflects changes in headcount, wage inflation, and less allocated to capital in 2018.
125	921	OFFICE SUPPLIES AND EXPENSES	5,086,986	823,367	5,910,353	-	5,910,353	Variance reflects increases in telecommunications expense for cellular refresh and an increase in bank fees.
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(4,524,042)	203,215	(4,320,827)	-	(4,320,827)	Customary changes in the ordinary course of business.
127	923	OUTSIDE SERVICES	16,591,559	(718,026)	15,873,533	-	15,873,533	The forecasted period includes amounts budgeted to common which is then allocated to Electric and Gas jurisdictions. The base period reflects actual direct charging to each line of business (electric vs gas). This allocation process difference leads to the decrease as shown and is offset by a similar increase for the Gas jurisdiction.

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
128	924	PROPERTY INSURANCE	4,671,369	(60,811)	4,610,558	-	4,610,558	Customary changes in the ordinary course of business.
129	925	INJURIES AND DAMAGES	2,181,250	653,806	2,835,056	-	2,835,056	Increase in forecasted claims.
130	926	EMPLOYEE PENSION AND BENEFITS	24,123,729	5,073,367	29,197,096	-	29,197,096	Variance reflects higher pension expense due to a decrease in the discount rate and higher medical costs.
131	927	FRANCHISE REQUIREMENTS	29,076	(29,076)	-	-	-	- Item not budgeted in forecast period due to immateriality.
132	928	REGULATORY COMMISSION EXPENSES	1,004,084	399,996	1,404,080	-	1,404,080	Forecasted period reflects rate case expense amortization for 2014 and 2016
133	929	DUPLICATE CHARGES--CREDIT	(237,085)	7,657	(229,428)	-	(229,428)	Increased company usage forecasted in test year compared to base.
134	930.1	GENERAL ADVERTISING EXPENSES	19,606	14,411	34,017	(34,017)	-	Expenses are removed from net operating income in setting - base rates.
135	930.2	MISC GENERAL EXPENSES	3,112,048	570,621	3,682,668	-	3,682,668	Variance is primarily due to an increase in R&D Amortization.
136	931	RENTS	1,093,097	30,728	1,123,825	-	1,123,825	Customary changes in the ordinary course of business.
137	935	MAINTENANCE OF GENERAL PLANT	674,519	(57,060)	617,459	-	617,459	Variance is driven by lower labor costs.
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	<u>79,296,845</u>	<u>8,772,379</u>	<u>88,069,225</u>	<u>(34,017)</u>	<u>88,035,208</u>	
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>626,359,445</u>	<u>59,262,458</u>	<u>685,621,903</u>	<u>(984,863)</u>	<u>684,637,040</u>	
140	403-404	DEPRECIATION AND AMORTIZATION	113,188,797	25,653,730	138,842,527	-	138,842,527	Variance is due to increase in plant-in-service and higher proposed depreciation rates.
141	407.3	REGULATORY DEBITS	-	-	-	-	-	
142	408	TAXES OTHER THAN INCOME TAXES	28,692,554	3,836,655	32,529,209	-	32,529,209	Variance is primarily due to increase in net utility plant.
143	409-411	FEDERAL INCOME TAXES	62,947,541	(21,880,850)	41,066,692	(2,614,198)	38,452,494	Variance is due to changes in pre-tax income. See Schedule E.
144	409-411	STATE INCOME TAXES	11,150,756	(4,086,359)	7,064,398	(460,076)	6,604,322	Variance is due to changes in pre-tax income. See Schedule E.

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL (1) \$	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD (2) \$	FORECASTED PERIOD JURISDICTIONAL (3) \$	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1) (4) \$	PRO FORMA FORECASTED PERIOD JURISDICTIONAL (5) \$	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2) (6)
145	411.4	INVESTMENT TAX CREDIT	(1,150,762)	148,227	(1,002,535)	-	(1,002,535)	Lower amortization of ITC.
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	
147		TOTAL OPERATING EXPENSES	<u>841,188,331</u>	<u>62,933,861</u>	<u>904,122,193</u>	<u>(4,059,137)</u>	<u>900,063,056</u>	
148		NET OPERATING INCOME	<u>159,250,757</u>	<u>(37,257,220)</u>	<u>121,993,537</u>	<u>(4,854,939)</u>	<u>117,138,597</u>	

Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.

Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 1 OF 12
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
1		<u>OPERATING REVENUES</u>								
2		<u>SALES OF ELECTRICITY:</u>								
3	440	RESIDENTIAL	(17,223,055)	(49,580,189)	8,046,030	558,707	-	(58,198,508)	100.000%	(58,198,508)
4	442.2	COMMERCIAL	(3,421,455)	(46,783,232)	7,613,832	556,043	-	(42,034,813)	100.000%	(42,034,813)
5	442.3	INDUSTRIAL	551	(20,825,481)	4,914,265	379,754	-	(15,530,910)	100.000%	(15,530,910)
6	444	PUBLIC STREET AND HIGHWAY LIGHTING	(279)	(383,623)	37,453	2,860	-	(343,589)	100.000%	(343,589)
7	445	OTHER SALES TO PUBLIC AUTHORITIES	(498,741)	(11,919,814)	2,177,199	153,908	-	(10,087,448)	100.000%	(10,087,448)
8		TOTAL SALES TO ULTIMATE CONSUMERS	(21,142,980)	(129,492,338)	22,788,779	1,651,272	-	(126,195,267)		(126,195,267)
9	447	SALES FOR RESALE	-	-	-	(9,425,965)	-	(9,425,965)	100.000%	(9,425,965)
10	449.1	PROVISION FOR RATE REFUNDS	-	-	-	-	-	-	0.000%	-
11		TOTAL SALES OF ELECTRICITY	(21,142,980)	(129,492,338)	22,788,779	(7,774,693)	-	(135,621,232)		(135,621,232)
12		<u>OTHER OPERATING REVENUES:</u>								
13	450	LATE PAYMENT CHARGES	-	-	-	-	-	-	100.000%	-
14	451	ELECTRIC SERVICE REVENUES	-	-	-	-	-	-	100.000%	-
15	454	RENT FROM ELECTRIC PROPERTY	-	-	-	-	-	-	100.000%	-
16	456	OTHER MISCELLANEOUS REVENUE	-	-	-	-	-	-	100.000%	-
17		TOTAL OTHER OPERATING REVENUES	-	-	-	-	-	-		-
18		TOTAL OPERATING REVENUES	(21,142,980)	(129,492,338)	22,788,779	(7,774,693)	-	(135,621,232)		(135,621,232)
19		<u>OPERATING EXPENSES</u>								
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>								
21		<u>STEAM GENERATION:</u>								
22	500	STEAM OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
23	501	FUEL	-	(283,123)	21,789,530	(3,708,453)	-	17,797,953	100.000%	17,797,953
24	502	STEAM EXPENSES	-	(487,733)	-	(91,485)	-	(579,217)	100.000%	(579,217)
25	504	STEAM TRANSFERRED-CREDIT	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
26	505	ELECTRIC EXPENSES	-	-	-	-	-	-	100.000%	-
27	506	MISC STEAM POWER EXPENSES	-	(6,410,572)	-	(85,649)	-	(6,496,221)	100.000%	(6,496,221)
28	507	RENTS	-	-	-	-	-	-	100.000%	-
29	509	ALLOWANCES	-	(1)	-	-	-	(1)	100.000%	(1)
30	510	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
31	511	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	100.000%	-
32	512	MAINTENANCE OF BOILER PLANT	-	(1,856,718)	-	-	-	(1,856,718)	100.000%	(1,856,718)
33	513	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	100.000%	-
34	514	MAINTENANCE OF MISC STEAM PLANT	-	-	-	-	-	-	100.000%	-
35		TOTAL STEAM GENERATION	-	(9,038,146)	21,789,530	(3,885,587)	-	8,865,796		8,865,796
36		<u>HYDRAULIC GENERATION:</u>								
37	535	HYDRO OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
38	536	WATER FOR POWER	-	-	-	-	-	-	100.000%	-
39	537	HYDRAULIC EXPENSES	-	-	-	-	-	-	100.000%	-
40	538	ELECTRIC EXPENSES	-	-	-	-	-	-	100.000%	-
41	539	MISC HYDRAULIC POWER GENERATION EXPENSES	-	-	-	-	-	-	100.000%	-
42	540	RENTS	-	-	-	-	-	-	100.000%	-
43	541	HYDRO MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
44	542	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	100.000%	-
45	543	MAINTENANCE OF RESERVOIRS, DAMS AND WATERWAYS	-	-	-	-	-	-	100.000%	-
46	544	MAINTENANCE OF ELECTRIC PLANT	-	-	-	-	-	-	100.000%	-
47	545	MAINTENANCE OF MISC HYDRAULIC PLANT	-	-	-	-	-	-	100.000%	-
48		TOTAL HYDRAULIC GENERATION	-	-	-	-	-	-		-
49		<u>OTHER GENERATION:</u>								
50	546	OTHER OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
51	547	OTHER FUEL	-	-	-	(303,489)	-	(303,489)	100.000%	(303,489)
52	548	GENERATION EXPENSES	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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DATA: X BASE PERIOD FORECASTED PERIOD
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
53	549	MISC OTHER POWER GENERATION EXPENSES	-	-	-	-	-	-	100.000%	-
54	550	RENTS	-	-	-	-	-	-	100.000%	-
55	551	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
56	552	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	100.000%	-
57	553	MAINTENANCE OF GENERATING AND ELECTRIC PLANT	-	-	-	-	-	-	100.000%	-
58	554	MAINTENANCE OF MISC OTHER POWER GENERATION PLANT	-	-	-	-	-	-	100.000%	-
59		TOTAL OTHER GENERATION	-	-	-	(303,489)	-	(303,489)		(303,489)
60		<u>OTHER POWER SUPPLY:</u>								
61	555	PURCHASED POWER	-	-	-	(2,181,491)	-	(2,181,491)	100.000%	(2,181,491)
62	556	SYSTEM CONTROL AND LOAD DISPATCHING	-	-	-	-	-	-	100.000%	-
63	557	OTHER EXPENSES	-	-	-	58,663	-	58,663	100.000%	58,663
64		TOTAL OTHER POWER SUPPLY	-	-	-	(2,122,828)	-	(2,122,828)		(2,122,828)
65		TOTAL PRODUCTION EXPENSES	-	(9,038,146)	21,789,530	(6,311,904)	-	6,439,480		6,439,480
66		<u>TRANSMISSION EXPENSES:</u>								
67	560	TRANS OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
68	561	LOAD DISPATCHING	-	-	-	-	-	-	100.000%	-
69	562	STATION EXPENSES	-	-	-	-	-	-	100.000%	-
70	563	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	100.000%	-
71	564	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	100.000%	-
72	565	TRANSMISSION OF ELECTRICITY BY OTHERS	-	-	-	(893,114)	-	(893,114)	100.000%	(893,114)
73	566	MISC TRANSMISSION EXPENSES	-	-	-	-	-	-	100.000%	-
74	567	RENTS	-	-	-	-	-	-	100.000%	-
75	568	TRANS MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
76	569	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	100.000%	-
77	570	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
78	571	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	100.000%	-
79	572	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
80	573	MAINTENANCE OF MISC TRANSMISSION PLANT	-	-	-	-	-	-	100.000%	-
81	575	MISO DAY 1 AND 2 EXPENSE	-	-	-	-	-	-	100.000%	-
82		TOTAL TRANSMISSION EXPENSES	-	-	-	(893,114)	-	(893,114)		(893,114)
83		<u>DISTRIBUTION EXPENSES:</u>								
84	580	DISTR OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
85	581	LOAD DISPATCHING	-	-	-	-	-	-	100.000%	-
86	582	STATION EXPENSES	-	-	-	-	-	-	100.000%	-
87	583	OVERHEAD LINE EXPENSES	-	-	-	-	-	-	100.000%	-
88	584	UNDERGROUND LINE EXPENSES	-	-	-	-	-	-	100.000%	-
89	585	STREET LIGHTING AND SIGNAL SYSTEM EXPENSES	-	-	-	-	-	-	100.000%	-
90	586	METER EXPENSES	-	-	-	-	-	-	100.000%	-
91	587	CUSTOMER INSTALLATIONS EXPENSES	-	-	-	-	-	-	100.000%	-
92	588	MISC DISTRIBUTION EXPENSES	-	-	-	-	-	-	100.000%	-
93	589	RENTS	-	-	-	-	-	-	100.000%	-
94	590	DISTR MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
95	591	MAINTENANCE OF STRUCTURES	-	-	-	-	-	-	100.000%	-
96	592	MAINTENANCE OF STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
97	593	MAINTENANCE OF OVERHEAD LINES	-	-	-	-	-	-	100.000%	-
98	594	MAINTENANCE OF UNDERGROUND LINES	-	-	-	-	-	-	100.000%	-
99	595	MAINTENANCE OF LINE TRANSFORMERS	-	-	-	-	-	-	100.000%	-
100	596	MAINTENANCE OF STREET LIGHTING AND SIGNAL SYSTEMS	-	-	-	-	-	-	100.000%	-
101	597	MAINTENANCE OF METERS	-	-	-	-	-	-	100.000%	-
102	598	MAINTENANCE OF MISC DISTRIBUTION PLANT	-	-	-	-	-	-	100.000%	-
103		TOTAL DISTRIBUTION EXPENSES	-	-	-	-	-	-		-
104		<u>CUSTOMER ACCOUNTS EXPENSES:</u>								
105	901	CUSTOMER ACCTS SUPERVISION	-	-	-	-	-	-	100.000%	-
106	902	METER READING EXPENSES	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

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SCHEDULE D-2
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
107	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	-	-	-	-	-	-	100.000%	-
108	904	UNCOLLECTIBLE ACCOUNTS	-	-	-	-	-	-	100.000%	-
109	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	-	-	-	-	-	100.000%	-
110		TOTAL CUSTOMER ACCOUNTS EXPENSES	-	-	-	-	-	-		-
111		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>								
112	907	CUSTOMER SERVICE AND INFO SUPERVISION	-	-	-	-	-	-	100.000%	-
113	908	CUSTOMER ASSISTANCE EXPENSES	(15,887,207)	-	-	-	-	(15,887,207)	100.000%	(15,887,207)
114	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	-	-	-	-	-	-	100.000%	-
115	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	-	-	-	-	-	-	100.000%	-
116		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	(15,887,207)	-	-	-	-	(15,887,207)		(15,887,207)
117		<u>SALES EXPENSES:</u>								
118	911	SALES SUPERVISION	-	-	-	-	-	-	100.000%	-
119	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	100.000%	-
120	913	ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
121	916	MISC SALES EXPENSES	-	-	-	-	-	-	100.000%	-
122		TOTAL SALES EXPENSES	-	-	-	-	-	-		-
123		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>								
124	920	ADMINISTRATIVE AND GENERAL SALARIES	-	-	-	-	-	-	100.000%	-
125	921	OFFICE SUPPLIES AND EXPENSES	-	-	-	-	-	-	100.000%	-
126	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	-	-	-	-	-	-	100.000%	-
127	923	OUTSIDE SERVICES	-	(24,942)	-	-	-	(24,942)	100.000%	(24,942)
128	924	PROPERTY INSURANCE	-	-	-	-	-	-	100.000%	-
129	925	INJURIES AND DAMAGES	-	-	-	-	-	-	100.000%	-
130	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	-	-	100.000%	-
131	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	100.000%	-
132	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
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WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE ECR MECHANISM	REMOVE FAC MECHANISM	REMOVE OSS MECHANISM	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
133	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	100.000%	-
134	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
135	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	100.000%	-
136	931	RENTS	-	-	-	-	-	-	100.000%	-
137	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	100.000%	-
138		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	(24,942)	-	-	-	(24,942)		(24,942)
139		TOTAL OPERATION AND MAINTENANCE EXPENSES	(15,887,207)	(9,063,088)	21,789,530	(7,205,018)	-	(10,365,783)		(10,365,783)
140	403-404	DEPRECIATION AND AMORTIZATION	(816,158)	(22,874,344)	-	-	-	(23,690,502)	100.000%	(23,690,502)
141	407.3	REGULATORY DEBITS	-	(139,978)	-	-	-	(139,978)	100.000%	(139,978)
142	408.1	TAXES OTHER THAN INCOME TAXES	-	(1,363,603)	-	-	-	(1,363,603)	100.000%	(1,363,603)
143	409-411	FEDERAL INCOME TAXES	(1,463,705)	(31,667,377)	329,444	(187,817)	6,460,159	(26,529,296)	100.000%	(26,529,296)
144	409-411	STATE INCOME TAXES	(257,599)	(5,573,179)	57,979	(33,054)	1,136,931	(4,668,922)	100.000%	(4,668,922)
145	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	100.000%	-
146	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	72	-	-	-	72	100.000%	72
147		TOTAL OPERATING EXPENSES	(18,424,670)	(70,681,496)	22,176,954	(7,425,889)	7,597,090	(66,758,011)		(66,758,011)
148		NET OPERATING INCOME	(2,718,310)	(58,810,842)	611,825	(348,803)	(7,597,090)	(68,863,221)		(68,863,221)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE WPD-2
SHEET 1 OF 5
WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL \$(000)
ADJ 1		DSM:													
DSM	440	440-RESIDENTIAL	937.104	980.444	1,268.858	1,245.996	1,776.026	1,746.677	1,641.178	1,299.079	1,263.806	1,577.126	1,585.801	1,900.961	17,223.055
DSM	442.2	442-COMMERCIAL	181.684	214.360	226.882	165.235	277.301	305.973	326.053	309.536	302.780	292.355	336.643	482.652	3,421.455
DSM	442.3	442-INDUSTRIAL	0.200	0.208	0.232	0.154	0.296	0.311	(4.210)	0.556	0.354	0.329	0.428	0.590	(0.551)
DSM	444	444-PUBLIC ST & HWY LIGHTING	0.014	0.017	0.018	0.014	0.022	0.023	0.024	0.026	0.030	0.024	0.030	0.039	0.279
DSM	445	445-OTHER PUBLIC AUTHORITIES	24.236	37.100	35.451	23.204	34.302	44.154	50.403	47.741	44.573	42.259	45.242	70.076	498.741
		Total DSM Revenues	<u>1,143.239</u>	<u>1,232.128</u>	<u>1,531.440</u>	<u>1,434.604</u>	<u>2,087.947</u>	<u>2,097.137</u>	<u>2,013.448</u>	<u>1,656.937</u>	<u>1,611.543</u>	<u>1,912.093</u>	<u>1,968.145</u>	<u>2,454.318</u>	<u>21,142.980</u>
DSM	908	908 - DSM PROGRAM EXP	904.738	939.033	1,220.014	1,200.375	1,732.794	1,704.266	1,644.619	1,267.569	1,276.151	1,599.674	1,299.864	1,098.111	15,887.207
DSM	403-404	403 - DSM DEPRECIATION EXP	59.927	62.247	65.261	66.419	65.929	67.692	70.613	72.055	72.542	71.290	70.585	71.598	816.158
ADJ 2		ECR (Base and Factor):													
ECR	440	440-RESIDENTIAL	3,399.026	3,259.128	3,620.381	4,757.843	5,377.221	5,170.833	4,507.433	3,758.943	3,583.209	4,170.421	4,222.331	3,753.421	49,580.189
ECR	442.2	442-COMMERCIAL	3,695.800	3,758.455	3,788.845	3,707.964	3,910.737	3,892.538	4,132.020	4,348.509	4,258.800	3,582.342	3,696.801	4,010.422	46,783.232
ECR	442.3	442-INDUSTRIAL	2,268.455	2,102.634	1,701.679	1,493.600	1,468.867	1,427.579	1,634.586	1,999.050	1,933.178	1,513.971	1,593.593	1,688.290	20,825.481
ECR	444	444-PUBLIC ST & HWY LIGHTING	33.448	34.225	31.393	25.804	26.359	27.119	29.634	37.924	37.295	32.717	32.121	35.582	383.623
ECR	445	445-OTHER PUBLIC AUTHORITIES	1,068.825	1,113.564	1,004.440	906.283	859.290	987.010	1,086.019	1,140.027	1,053.692	884.691	860.723	955.249	11,919.814
		TOTAL ECR (Base and Factor)	<u>10,465.554</u>	<u>10,268.007</u>	<u>10,146.739</u>	<u>10,891.493</u>	<u>11,642.474</u>	<u>11,505.079</u>	<u>11,389.691</u>	<u>11,284.453</u>	<u>10,866.174</u>	<u>10,184.142</u>	<u>10,405.568</u>	<u>10,442.964</u>	<u>129,492.338</u>
		ECR Expenses:													
ECR	407.3	407 - ECR CLOSURE COSTS	0.000	0.000	0.000	0.000	0.000	18.764	16.158	19.245	20.125	21.705	21.779	22.202	139.978
ECR	408.1	408 - ECR PROPERTY TAX	75.151	75.151	75.151	122.987	122.987	122.987	122.987	122.987	122.987	122.987	138.621	138.621	1,363.603
ECR	411.8	411 - ECR GAIN-DISP OF ALLOW	(0.072)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(0.072)
ECR	501	501 - ECR STEAM FUEL EXP RECOVERABLE	27.350	26.418	14.736	23.552	25.249	28.333	20.892	32.259	21.551	30.535	16.103	16.145	283.123
ECR	502	502 - ECR BOILER EXPENSE	30.389	22.625	4.730	20.320	24.166	64.236	73.858	63.540	60.941	72.081	50.142	0.702	487.733
ECR	506	506 - ECR ENVIRONMENTAL EXP	501.787	233.365	436.519	696.924	698.643	774.169	588.656	407.930	399.343	584.264	528.021	560.950	6,410.572
ECR	509	509 - ECR SO2/NOX EMISSION ALLOWANCES	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001
ECR	512	512 - ECR BOILER-ENVRNL	196.095	187.296	117.875	151.435	134.441	139.085	141.469	189.084	147.597	159.913	165.580	126.849	1,856.718
ECR	549	549 - ECR MISC OTH PWR GEN EXP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
		Total	<u>830.701</u>	<u>544.856</u>	<u>649.011</u>	<u>1,015.218</u>	<u>1,005.487</u>	<u>1,147.574</u>	<u>964.020</u>	<u>835.045</u>	<u>772.545</u>	<u>991.485</u>	<u>920.246</u>	<u>865.468</u>	<u>10,541.655</u>
ECR	923	923 - ECR CONSULTANT FEE	0.000	0.000	3.252	0.000	0.000	0.000	14.649	0.000	0.000	0.000	7.041	0.000	24.942
ECR	403-404	403 - ECR DEPRECIATION EXP	1,522.727	1,522.830	1,522.830	1,781.027	2,039.224	2,054.641	2,070.059	2,071.120	2,072.180	2,072.180	2,072.569	2,072.957	22,874.344
ADJ 5		FAC (excl Base Fuel):													
FAC	440	440-RESIDENTIAL	(812.276)	(759.429)	(779.186)	(998.972)	(1,115.720)	(840.825)	(447.554)	(498.019)	(806.277)	(467.565)	(54.597)	(465.609)	(8,046.030)
FAC	442.2	442-COMMERCIAL	(727.342)	(837.691)	(785.314)	(784.121)	(888.205)	(705.730)	(428.338)	(595.499)	(904.238)	(382.355)	(119.346)	(455.652)	(7,613.832)
FAC	442.3	442-INDUSTRIAL	(442.109)	(643.589)	(558.021)	(464.083)	(484.116)	(416.033)	(241.495)	(449.688)	(631.414)	(203.278)	(80.785)	(299.654)	(4,914.265)
FAC	444	444-PUBLIC ST & HWY LIGHTING	(4.162)	(4.914)	(3.400)	(3.074)	(2.428)	(2.478)	(1.903)	(3.588)	(4.750)	(3.201)	(0.678)	(2.878)	(37.453)
FAC	445	445-OTHER PUBLIC AUTHORITIES	(232.246)	(219.041)	(214.794)	(221.813)	(256.123)	(198.764)	(123.327)	(176.407)	(262.372)	(69.896)	(33.336)	(169.080)	(2,177.199)
		Total FAC (excl Base Fuel)	<u>(2,218.134)</u>	<u>(2,464.664)</u>	<u>(2,340.716)</u>	<u>(2,472.063)</u>	<u>(2,746.593)</u>	<u>(2,163.830)</u>	<u>(1,242.617)</u>	<u>(1,723.202)</u>	<u>(2,609.050)</u>	<u>(1,126.294)</u>	<u>(288.743)</u>	<u>(1,392.872)</u>	<u>(22,788.779)</u>
FAC	501	Total FAC Expense	(2,196.434)	(2,507.087)	(2,432.378)	(2,026.742)	(1,563.744)	(2,120.293)	(1,222.061)	(2,340.224)	(2,709.865)	(1,250.116)	214.112	(1,634.698)	(21,789.530)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE WPD-2
SHEET 2 OF 5
WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL \$(000)
ADJ 4		OSS:													
OSS	440	440-RESIDENTIAL	(2.338)	(26.898)	(5.594)	(4.678)	(26.666)	(13.023)	(21.140)	(23.131)	(20.286)	(246.790)	(148.948)	(19.214)	(558.707)
OSS	442.2	442-COMMERCIAL	(7.764)	(31.468)	(1.646)	(5.076)	(24.476)	(5.470)	(19.353)	(26.608)	(21.750)	(227.497)	(132.618)	(52.318)	(556.043)
OSS	442.3	442-INDUSTRIAL	(5.389)	(26.899)	0.849	(0.252)	(16.543)	(3.404)	(11.822)	(20.968)	(16.832)	(168.055)	(85.831)	(24.608)	(379.754)
OSS	444	444-PUBLIC ST & HWY LIGHTING	(0.118)	(0.179)	0.015	(0.097)	(0.093)	0.024	(0.102)	(0.119)	(0.094)	(1.442)	(1.296)	0.641	(2.860)
OSS	445	445-OTHER PUBLIC AUTHORITIES	0.106	(12.697)	1.619	(0.634)	(10.202)	1.048	(7.391)	(7.056)	(6.412)	(67.843)	(33.168)	(11.280)	(153.908)
		Total	(15.503)	(98.141)	(4.757)	(10.737)	(77.981)	(20.825)	(59.807)	(77.882)	(65.372)	(711.627)	(401.861)	(106.779)	(1651.272)
OSS	447	447-OSS SALES FOR RESALE	89.481	561.164	116.919	219.724	587.033	280.479	417.444	516.564	566.046	3381.365	2475.932	213.814	9425.965
		OSS Expenses:													
OSS	501	501 Fuel Costs for External OSS	41.264	225.987	10.941	22.608	46.814	39.458	65.109	114.814	236.072	1495.583	678.520	77.313	3054.483
OSS	547	547 Fuel Costs for External OSS	0.000	0.000	0.000	6.525	42.285	9.049	0.386	98.370	25.490	5.434	17.422	3.672	208.633
OSS	555	555 Purchased Power - OSS	1.759	3.027	0.349	7.730	19.904	7.916	4.169	1.094	3.425	(124.475)	2.999	20.415	(51.687)
OSS	501	501 Fuel Costs for Utility OSS	17.357	56.383	73.745	17.023	33.003	90.179	111.805	99.375	103.004	17.973	6.543	0.000	626.391
OSS	547	547 Fuel Costs for Utility OSS	0.000	0.000	0.000	2.759	18.046	19.116	54.313	0.000	0.572	0.000	0.050	0.000	94.856
OSS	555	555 Purchased Power Costs - External OSS	3.333	96.217	15.932	117.464	267.711	62.106	76.355	49.858	42.186	565.781	875.296	60.938	2233.178
OSS	565	565 Transmission - OSS External	0.087	0.315	0.296	3.546	(3.255)	0.144	0.170	0.184	0.152	1.597	1.502	0.167	4.904
OSS	565	565 Transmission - OSS Utility	3.748	38.516	3.638	21.249	55.126	15.770	17.516	36.597	52.445	377.606	242.714	23.287	888.210
OSS	557	557 RTO Costs - OSS External	(0.819)	3.688	(0.800)	4.421	3.743	1.496	1.289	2.839	1.908	15.193	24.162	(115.784)	(58.663)
OSS	502	502 ECR Consumables - OSS External	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OSS	506	506 ECR Consumables - OSS External	1.018	2.297	0.244	0.598	1.069	0.505	0.980	1.594	3.280	34.683	11.898	1.801	59.968
OSS	502	502 Other Consumables - OSS External	0.651	3.309	0.218	0.573	0.932	0.478	1.204	2.370	5.455	48.524	14.143	1.625	79.481
OSS	506	506 Other Consumables - OSS External	0.306	1.654	0.108	0.172	0.374	0.277	0.628	1.217	1.550	9.394	4.186	0.545	20.413
OSS	502	502 Other Consumables - OSS Utility	0.300	0.841	1.403	0.424	0.651	1.169	2.048	1.994	2.461	0.577	0.135	0.000	12.004
OSS	506	506 Other Consumables - OSS Utility	0.141	0.420	0.697	0.127	0.261	0.677	1.068	1.024	0.699	0.112	0.040	0.000	5.268
OSS	501	501 Inter-System Losses	0.231	1.609	0.135	0.751	1.845	0.566	0.722	1.311	1.523	10.307	7.775	0.804	27.579
		Total	69.378	434.264	106.907	205.970	488.510	248.906	337.763	412.641	480.222	2458.289	1887.385	74.784	7205.018

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
CALCULATION OF CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S)::

SCHEDULE WPD-2
SHEET 5 OF 5
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	WORKPAPER REFERENCE	BASE PERIOD	FORECASTED PERIOD
ELECTRIC:				
1	ADJUSTED JURISDICTIONAL CAPITALIZATION	J-1, J-1.1/J-1.2	\$ 2,167,496,810	\$ 2,408,753,314
2	WEIGHTED COST OF DEBT	J-1, J-1.1/J-1.2	<u>1.80%</u>	<u>1.79%</u>
3	INTEREST SYNCHRONIZATION		\$ 38,967,389	\$ 43,213,085
4	KENTUCKY JURISDICTIONAL INTEREST PER BOOKS (EXCLUDING OTHER INTEREST)		<u>58,561,918</u>	<u>62,104,103</u>
5	INTEREST SYNCHRONIZATION ADJUSTMENT (LINE 4 - 3)		\$ 19,594,529	\$ 18,891,018
6	COMPOSITE FEDERAL AND STATE TAX RATE	WPH-1.B	<u>38.7715%</u>	<u>38.7715%</u>
7	CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION		<u>\$ 7,597,090</u>	<u>\$ 7,324,329</u>

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - GAS OPERATIONS

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
D-1	SUMMARY OF JURISDICTIONAL ADJUSTMENTS
D-2	JURISDICTIONAL ADJUSTMENTS
D-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS
WPD-2	JURISDICTIONAL ADJUSTMENTS WORKPAPER
WPD-2.1	JURISDICTIONAL PRO FORMA ADJUSTMENTS WORKPAPER

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X_ UPDATED REVISIED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 1 OF 7
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
1		OPERATING REVENUES						
2		<u>SALES OF GAS:</u>						
3	480	RESIDENTIAL	101,658,338	22,609,084	124,267,421	-	124,267,421	Variance is primarily driven by the GLT reset.
4	481.1	COMMERCIAL	31,793,835	8,183,433	39,977,268	-	39,977,268	Variance is primarily driven by the GLT reset.
5	481.2	INDUSTRIAL	2,713,703	1,734,350	4,448,053	-	4,448,053	Variance is primarily driven by the GLT reset.
6	482	OTHER SALES TO PUBLIC AUTHORITIES	<u>3,428,545</u>	<u>928,295</u>	<u>4,356,841</u>	-	<u>4,356,841</u>	Variance is primarily driven by the GLT reset.
7		TOTAL SALES TO ULTIMATE CONSUMERS	139,594,421	33,455,162	173,049,583	-	173,049,583	
8	483-484	SALES FOR RESALE	3,302,261	(1,010,478)	2,291,783	-	2,291,783	Variance is due to lower gas for utility generation due to Paddys Run contract termination.
9	496	PROVISION FOR RATE REFUNDS	-	-	-	-	-	
10		TOTAL SALES OF GAS	<u>142,896,682</u>	<u>32,444,684</u>	<u>175,341,366</u>	-	<u>175,341,366</u>	
11		<u>OTHER OPERATING REVENUES:</u>						
12	487	FORFEITED DISCOUNTS	1,032,412	136,582	1,168,995	-	1,168,995	Variance reflects trend in this account and is based on a historic average.
13	488	MISCELLANEOUS SERVICE REVENUE	81,954	6,409	88,363	-	88,363	Variance reflects trend in this account and is based on a historic average.
14	489	TRANSPORTATION OF GAS OF OTHERS	7,697,792	(568,701)	7,129,091	-	7,129,091	Variance reflects forecasted decrease in billing determinants from the base period to the forecasted period at current tariff rates.
15	493	RENT FROM GAS PROPERTY	380,951	7,501	388,452	-	388,452	Variance reflects trend in this account and is based on a historic average.
16	495	OTHER GAS REVENUE	<u>630</u>	<u>20</u>	<u>650</u>	-	<u>650</u>	Customary changes in the ordinary course of business.
17		TOTAL OTHER OPERATING REVENUES	<u>9,193,739</u>	<u>(418,188)</u>	<u>8,775,550</u>	-	<u>8,775,550</u>	
18		TOTAL OPERATING REVENUES	<u>152,090,421</u>	<u>32,026,496</u>	<u>184,116,917</u>	-	<u>184,116,917</u>	
19		OPERATING EXPENSES						
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>						
21		<u>OTHER GAS SUPPLY EXPENSES:</u>						
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	-	-	-	-	-	
23	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X_ BASE PERIOD X_ FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X_ UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE D-1
PAGE 2 OF 7
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
24	805	OTHER GAS PURCHASES	-	-	-	-	-	
25	806	EXCHANGE GAS	-	-	-	-	-	
26	807	PURCHASED GAS EXPENSE	846,675	(632)	846,043	-	846,043	Customary changes in the ordinary course of business.
27	808	GAS WITHDRAWN FROM STORAGE	-	(0)	(0)	-	(0)	
28	810	GAS USED FOR COMPRESSOR STATION FUEL	(440,883)	(48,161)	(489,044)	-	(489,044)	Customary changes in the ordinary course of business.
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	-	-	-	-	-	
30	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	
31		TOTAL OTHER GAS SUPPLY EXPENSES	405,792	(48,793)	356,999	-	356,999	
32		<u>UNDERGROUND STORAGE EXPENSES:</u>						
								Decrease in the test year is due to a 5-year inventory study conducted in the base year. Additionally, Muldraugh labor/transportation costs are lower in the test year due to the budget being spread to various gas FERCs based on a 5 year trending analysis.
33	814	OPERATION SUPERVISION AND ENGINEERING	842,562	(172,972)	669,590	-	669,590	
34	816	WELLS EXPENSE	73,295	(34,725)	38,570	-	38,570	Customary changes in the ordinary course of business.
								Increase is primarily offset in FERC 833 due primarily to Magnolia budgeting costs in FERC 817 and actuals are in FERC 833, 834, and 836.
35	817	LINES EXPENSE	399,603	508,757	908,360	-	908,360	
								Increase is due primarily to Magnolia budgeting FERC 818, but actuals are appropriately charged to other FERCs (834, 836, 887). Additionally, non-labor fuel gas is offset in FERC 810 and 929.
36	818	COMPRESSOR STATION EXPENSES	2,165,605	916,677	3,082,282	-	3,082,282	
								Increase due to higher shale fuel costs in test year as well as base year fuel gas usage being lower than test year due to warmer weather than anticipated.
37	819	COMPRESSOR STATION FUEL AND POWER	440,883	190,117	631,000	-	631,000	
38	821	PURIFICATION EXPENSES	1,531,583	(91,930)	1,439,653	-	1,439,653	Customary changes in the ordinary course of business.
39	823	GAS LOSSES	-	-	-	-	-	
40	824	OTHER EXPENSES	23,768	(23,768)	-	-	-	Customary changes in the ordinary course of business.
41	825	STORAGE WELL ROYALTIES	146,772	(10,037)	136,735	-	136,735	Customary changes in the ordinary course of business.
42	826	RENTS-STORAGE FIELDS	-	-	-	-	-	
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	599,828	(118,482)	481,346	-	481,346	The base year includes higher maintenance supervision costs for Muldraugh.

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD JURISDICTIONAL	JURISDICTIONAL ADJUSTMENTS TO BASE PERIOD	FORECASTED PERIOD JURISDICTIONAL	JURISDICTIONAL PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD (Note 1)	PRO FORMA FORECASTED PERIOD JURISDICTIONAL	DESCRIPTION OF JURISDICTIONAL ADJUSTMENTS TO THE BASE PERIOD (Note 2)
			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	316,735	338,322	655,057	-	655,057	The base year is lower because of costs for inspections, performed in May/June 2016 indicated wells needed re-lined or plugged so costs were charged to capital in July 2016. The forecasted test year also includes additional painting expenses.
45	833	MAINTENANCE OF LINES	510,511	(361,850)	148,661	-	148,661	Decrease is primarily offset in FERC 817. 2016 actuals for Magnolia are correctly recorded to FERC 833, but the budget is in FERC 817. Additionally, there is a reduction of labor expense for Muldraugh.
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	485,423	(5,812)	479,611	-	479,611	The test year decreased for Magnolia due to dollars being budgeted to FERC 818, while actuals are correctly recorded to FERC 834. Offset by higher budgeted costs for engine maintenance and shale compressor maintenance at Muldraugh.
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	34,902	(7,502)	27,400	-	27,400	Customary changes in the ordinary course of business.
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	941,485	(298,957)	642,528	-	642,528	Offset primarily in FERC 818. The test year decreased for Magnolia due to dollars being budgeted to FERC 818, while actuals are correctly recorded to FERC 836. This decrease is partially offset by an increase in Muldraugh due to the purchase of amine and carbon for the purification equipment and contractor costs to replace the carbon.
49	837	MAINTENANCE OF OTHER EQUIPMENT	309,569	34,681	344,250	-	344,250	Customary changes in the ordinary course of business.
50		TOTAL UNDERGROUND STORAGE EXPENSES	<u>8,822,525</u>	<u>862,518</u>	<u>9,685,043</u>	-	<u>9,685,043</u>	
51		<u>TRANSMISSION EXPENSES:</u>						
52	850	OPERATION SUPERVISION AND ENGINEERING	934,397	(183,890)	750,507	-	750,507	Base year reflects higher costs due to the development of job aids.
53	851	SYSTEM CONTROL AND LOAD DISPATCHING	406,326	44,700	451,026	-	451,026	Customary changes in the ordinary course of business.
54	852	COMMUNICATION SYSTEM EXPENSES	-	-	-	-	-	
55	856	MAIN EXPENSES	612,024	23,683	635,707	-	635,707	Customary changes in the ordinary course of business.
56	859	OTHER EXPENSES	-	-	-	-	-	
57	860	RENTS-GAS TRANSMISSION	12,517	(3,487)	9,030	-	9,030	Customary changes in the ordinary course of business.
58	863	MAINTENANCE OF MAINS	1,564,354	451,993	2,016,347	-	2,016,347	Increase is due primarily to pipeline integrity administration. Regulatory compliance of pipeline records results in increased internal labor costs as well as outside consultants to assist in TIMP risk algorithms. These increases are partially offset by a decrease in in-line inspections (one inspection is anticipated in the test year while in the base year one was performed and partial costs for a second were incurred).
59		TOTAL TRANSMISSION EXPENSES	<u>3,529,619</u>	<u>332,998</u>	<u>3,862,617</u>	-	<u>3,862,617</u>	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
60		<u>DISTRIBUTION EXPENSES:</u>						
61	870	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	
62	871	DISTRIBUTION LOAD DISPATCHING	613,376	299,216	912,592	-	912,592	Increase is due to 2 Gas Controllers expected to be hired in 2017. Costs for these employees are split between FERC 851 and 871.
63	874	MAINS AND SERVICES EXPENSES	3,380,442	221,859	3,602,301	-	3,602,301	Increase of two headcount driven by storage integrity regulations. Additionally, there are anticipated increases in leak surveys, stopbox inspections and priority valves (higher volumes and prices).
64	875	MEASURING AND REGULATING STATION EXP - GEN.	1,115,726	45,781	1,161,507	-	1,161,507	Customary changes in the ordinary course of business.
65	876	MEASURING AND REGULATING STATION EXP - IND.	354,703	135,978	490,681	-	490,681	Labor in the base year is lower due to more off duty and more capital work.
66	877	MEASURING AND REGULATING STATION EXP - CG	152,240	97,952	250,192	-	250,192	Customary changes in the ordinary course of business.
67	878	METER AND HOUSE REGULATOR EXPENSE	1,099,849	271,482	1,371,331	-	1,371,331	Variations in GLT OPEX/cost of sales adjustments between FERC accounts (874, 878, 879, 880, 887, and 892). Higher meter testing, training, and installing costs capitalized in the base period. Offset by a decrease for an outage in the base year and lower labor and variations in customer related operating expenses between FERC accounts (878, 880, and 892).
68	879	CUSTOMER INSTALLATIONS EXPENSE	368,434	(206,504)	161,930	-	161,930	Variations in GLT OPEX/cost of sales adjustments between FERC accounts (874, 878, 879, 880, 887, and 892).
69	880	OTHER EXPENSES	3,600,330	410,735	4,011,065	-	4,011,065	Increase of five headcount to comply with new regulations. Additional cost for Gas Uprates
70	881	RENTS-GAS DISTRIBUTION	6,663	92	6,755	-	6,755	Customary changes in the ordinary course of business.
71	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	
72	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	
73	887	MAINTENANCE OF MAINS	9,588,049	429,183	10,017,232	-	10,017,232	Customary changes in the ordinary course of business.
74	889	MTCE OF MEASURING AND REGULATING STATION EXP - GEN.	65,970	100,720	166,690	-	166,690	The forecasted test year includes additional painting expenses.
75	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	280,438	5,976	286,414	-	286,414	Customary changes in the ordinary course of business.
76	891	MTCE MEASURING AND REGULATING STATION EXP - CG	396,498	18,859	415,357	-	415,357	Increase in headcount
77	892	MAINTENANCE OF SERVICES	1,044,738	28,091	1,072,829	-	1,072,829	Variations in GLT OPEX/cost of sales adjustments between FERC accounts (874, 878, 879, 880, 887, and 892).
78	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	15,198	15,198	-	15,198	Customary changes in the ordinary course of business.
74	894	MAINTENANCE OF OTHER EQUIPMENT	462,217	99,181	561,398	-	561,398	Customary changes in the ordinary course of business.
75		TOTAL DISTRIBUTION EXPENSES	22,529,675	1,973,797	24,503,472	-	24,503,472	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
76		<u>CUSTOMER ACCOUNTS EXPENSES:</u>						
77	901	CUSTOMER ACCTS SUPERVISION	868,896	147,876	1,016,772	-	1,016,772	The base year is lower than the test year due primarily to vacancies.
78	902	METER READING EXPENSES	1,870,066	130,656	2,000,723	-	2,000,723	Increase is primarily due to an incremental team leader position.
79	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	5,335,363	554,150	5,889,512	-	5,889,512	The increase is due to the new Advanced Meter System program, CCS/SAP implementation costs, higher postage costs, higher software maintenance costs (previously charged to FERC 923).
80	904	UNCOLLECTIBLE ACCOUNTS	271,648	140,218	411,866	-	411,866	Forecasted test year includes write offs based on a five year average of 0.226% percent of revenues.
81	905	MISC CUSTOMER ACCOUNTS EXPENSE	3,308	(2,296)	1,012	-	1,012	Customary changes in the ordinary course of business.
82		TOTAL CUSTOMER ACCOUNTS EXPENSES	<u>8,349,281</u>	<u>970,605</u>	<u>9,319,886</u>	-	<u>9,319,886</u>	
83		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>						
84	907	CUSTOMER SERVICE AND INFO SUPERVISION	90,412	12,419	102,832	-	102,832	Customary changes in the ordinary course of business.
85	908	CUSTOMER ASSISTANCE EXPENSES	524,562	(442,817)	81,745	-	81,745	The base year is overstated by \$430k due to an allocation issue of journal entries between Electric and Gas jurisdictions. A corresponding offset is included in account 908 for the Electric jurisdiction.
86	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	84,260	(11,640)	72,620	-	72,620	The base year includes costs for Neighbor-to-Neighbor communications. In addition, customer newsletters and bill inserts are lower in the test year.
87	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	196,300	45,628	241,929	-	241,929	Increase is due to costs associated with the Advanced Meter System expenses and customer notifications.
88		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	<u>895,534</u>	<u>(396,409)</u>	<u>499,125</u>	-	<u>499,125</u>	
89		<u>SALES EXPENSES:</u>						
90	911	SALES SUPERVISION	-	-	-	-	-	
91	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	
92	913	ADVERTISING EXPENSES	258,883	9,305	268,187	(268,187)	-	Expenses are removed from net operating income in setting base rates.
93	916	MISC SALES EXPENSES	-	-	-	-	-	
94		TOTAL SALES EXPENSES	<u>258,883</u>	<u>9,305</u>	<u>268,187</u>	<u>(268,187)</u>	-	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
95		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>						
96	920	ADMINISTRATIVE AND GENERAL SALARIES	7,231,334	566,253	7,797,587	-	7,797,587	Variance reflects changes in headcount, wage inflation, and less allocated to capital in 2018.
97	921	OFFICE SUPPLIES AND EXPENSES	1,517,249	236,022	1,753,271	-	1,753,271	Customary changes in the ordinary course of business.
98	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	(888,291)	(330,404)	(1,218,695)	-	(1,218,695)	The account is credited for a portion of expenses in 920 and 921 accounts that are transferred to construction costs. It reflects the cost increases above and the level of construction activity.
99	923	OUTSIDE SERVICES	3,815,811	645,805	4,461,617	-	4,461,617	The forecasted period includes amounts budgeted to common which is then allocated to Electric and Gas jurisdictions. The base period reflects actual direct charging to each line of business (electric vs gas). This allocation process difference leads to the increase as shown and is offset by a similar decrease for the Electric jurisdiction.
100	924	PROPERTY INSURANCE	209,464	(30,990)	178,474	-	178,474	Customary changes in the ordinary course of business.
101	925	INJURIES AND DAMAGES	496,782	422,098	918,880	-	918,880	Increase in forecasted claims.
102	926	EMPLOYEE PENSION AND BENEFITS	7,880,156	1,728,926	9,609,082	-	9,609,082	Variance reflects higher pension expense due to a decrease in the discount rate and higher medical costs.
103	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	
104	928	REGULATORY COMMISSION EXPENSES	108,994	85,520	194,514	-	194,514	Forecasted period reflects rate case expense amortization for 2014 and 2016.
105	929	DUPLICATE CHARGES--CREDIT	(460,225)	(137,497)	(597,722)	-	(597,722)	Customary changes in the ordinary course of business.
106	930.1	GENERAL ADVERTISING EXPENSES	8,835	3,624	12,458	(12,458)	-	Expenses are removed from net operating income in setting base rates.
107	930.2	MISC GENERAL EXPENSES	413,650	179,449	593,100	-	593,100	Customary changes in the ordinary course of business.
108	931	RENTS	308,309	8,667	316,976	-	316,976	Customary changes in the ordinary course of business.
109	935	MAINTENANCE OF GENERAL PLANT	291,985	(34,735)	257,250	-	257,250	Customary changes in the ordinary course of business.
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	20,934,055	3,342,737	24,276,792	(12,458)	24,264,334	

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			(1)	(2)	(3)	(4)	(5)	(6)
			\$	\$	\$	\$	\$	
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	65,725,363	7,046,759	72,772,122	(280,646)	72,491,476	
112	403-404	DEPRECIATION AND AMORTIZATION	28,372,679	10,337,782	38,710,461	-	38,710,461	Variance is primarily driven by GLT reset and increase in plant-in-service.
113	408.1	TAXES OTHER THAN INCOME TAXES	7,818,680	3,294,886	11,113,566	-	11,113,566	Variance is primarily driven by GLT reset.
114	409-411	FEDERAL INCOME TAXES	13,616,064	2,468,848	16,084,913	92,527	16,177,439	Variance reflects changes in pre-tax income. See Schedule E.
115	409-411	STATE INCOME TAXES	2,434,589	464,002	2,898,591	16,284	2,914,875	Variance reflects changes in pre-tax income. See Schedule E.
116	411.4	INVESTMENT TAX CREDIT	(58,104)	22,234	(35,870)	-	(35,870)	Lower amortization of investment tax credits.
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	
118		TOTAL OPERATING EXPENSES	117,909,272	23,634,511	141,543,783	(171,835)	141,371,947	
119		NET OPERATING INCOME	34,181,149	8,391,985	42,573,134	171,835	42,744,969	

Note 1 - See Schedule D-2.1 and testimony for a descriptions of the adjustments.

Note 2 - In general, these adjustments represent variances between the Base Period and the end of the Forecasted Period.

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LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE GLT MECHANISM	REMOVE GSC MECHANISM	This adjustment left intentionally blank	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
1		<u>OPERATING REVENUES</u>								
2		<u>SALES OF GAS:</u>								
3	480	RESIDENTIAL	(3,411,328)	(17,924,347)	(61,560,215)	-	-	(82,895,890)	100.000%	(82,895,890)
4	481.1	COMMERCIAL	(99,533)	(7,837,534)	(29,642,509)	-	-	(37,579,576)	100.000%	(37,579,576)
5	481.2	INDUSTRIAL	-	(787,908)	(5,470,702)	-	-	(6,258,610)	100.000%	(6,258,610)
6	482	OTHER SALES TO PUBLIC AUTHORITIES	(13,158)	(435,823)	(4,002,503)	-	-	(4,451,484)	100.000%	(4,451,484)
7		TOTAL SALES TO ULTIMATE CONSUMERS	(3,524,019)	(26,985,613)	(100,675,928)	-	-	(131,185,560)	100.000%	(131,185,560)
8	483-484	SALES FOR RESALE	(183,900)	(3,134)	(1,384,717)	-	-	(1,571,751)	100.000%	(1,571,751)
9	496	PROVISION FOR RATE REFUNDS	-	-	-	-	-	-	100.000%	-
10		TOTAL SALES OF GAS	(3,707,919)	(26,988,747)	(102,060,646)	-	-	(132,757,311)		(132,757,311)
11		<u>OTHER OPERATING REVENUES:</u>								
12	487	FORFEITED DISCOUNTS	-	-	-	-	-	-	100.000%	-
13	488	MISCELLANEOUS SERVICE REVENUE	-	-	-	-	-	-	100.000%	-
14	489	TRANSPORTATION OF GAS OF OTHERS	(3,841)	-	-	-	-	(3,841)	100.000%	(3,841)
15	493	RENT FROM GAS PROPERTY	-	-	-	-	-	-	100.000%	-
16	495	OTHER GAS REVENUE	-	-	-	-	-	-	100.000%	-
17		TOTAL OTHER OPERATING REVENUES	(3,841)	-	-	-	-	(3,841)		(3,841)
18		TOTAL OPERATING REVENUES	(3,711,760)	(26,988,747)	(102,060,646)	-	-	(132,761,152)		(132,761,152)
19		<u>OPERATING EXPENSES</u>								
20		<u>OPERATION AND MAINTENANCE EXPENSES:</u>								
21		<u>OTHER GAS SUPPLY EXPENSES:</u>								
22	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	-	-	(110,402,592)	-	-	(110,402,592)	100.000%	(110,402,592)
23	804	NATURAL GAS CITY GATE PURCHASES	-	-	-	-	-	-	100.000%	-
24	805	OTHER GAS PURCHASES	-	-	6,506,849	-	-	6,506,849	100.000%	6,506,849
25	806	EXCHANGE GAS	-	-	(1,118,307)	-	-	(1,118,307)	100.000%	(1,118,307)

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			REMOVE DSM MECHANISM	REMOVE GLT MECHANISM	REMOVE GSC MECHANISM	This adjustment left intentionally blank	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
26	807	PURCHASED GAS EXPENSE	-	-	-	-	-	-	100.000%	-
27	808	GAS WITHDRAWN FROM STORAGE	-	-	4,857,227	-	-	4,857,227	100.000%	4,857,227
28	810	GAS USED FOR COMPRESSOR STATION FUEL	-	-	-	-	-	-	100.000%	-
29	812	GAS USED FOR OTHER UTILITY OPERATIONS	-	-	83,643	-	-	83,643	100.000%	83,643
30	813	OTHER GAS SUPPLY EXPENSES	-	-	-	-	-	-	100.000%	-
31		TOTAL OTHER GAS SUPPLY EXPENSES	-	-	(100,073,180)	-	-	(100,073,180)		(100,073,180)
32		<u>UNDERGROUND STORAGE EXPENSES:</u>								
33	814	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
34	816	WELLS EXPENSE	-	-	-	-	-	-	100.000%	-
35	817	LINES EXPENSE	-	-	-	-	-	-	100.000%	-
36	818	COMPRESSOR STATION EXPENSES	-	-	-	-	-	-	100.000%	-
37	819	COMPRESSOR STATION FUEL AND POWER	-	-	-	-	-	-	100.000%	-
38	821	PURIFICATION EXPENSES	-	-	-	-	-	-	100.000%	-
39	823	GAS LOSSES	-	-	(1,503,424)	-	-	(1,503,424)	100.000%	(1,503,424)
40	824	OTHER EXPENSES	-	-	-	-	-	-	100.000%	-
41	825	STORAGE WELL ROYALTIES	-	-	-	-	-	-	100.000%	-
42	826	RENTS-STORAGE FIELDS	-	-	-	-	-	-	100.000%	-
43	830	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
44	832	MAINTENANCE OF RESERVOIRS AND WELLS	-	-	-	-	-	-	100.000%	-
45	833	MAINTENANCE OF LINES	-	-	-	-	-	-	100.000%	-
46	834	MAINTENANCE OF COMPRESSOR STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
47	835	MAINTENANCE OF REGULATING STATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
48	836	MAINTENANCE OF PURIFICATION EQUIPMENT	-	-	-	-	-	-	100.000%	-
49	837	MAINTENANCE OF OTHER EQUIPMENT	-	-	-	-	-	-	100.000%	-
50		TOTAL UNDERGROUND STORAGE EXPENSES	-	-	(1,503,424)	-	-	(1,503,424)		(1,503,424)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 3 OF 10
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE GLT MECHANISM	REMOVE GSC MECHANISM	This adjustment left intentionally blank	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
51		<u>TRANSMISSION EXPENSES:</u>								
52	850	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
53	851	SYSTEM CONTROL AND LOAD DISPATCHING	-	-	-	-	-	-	100.000%	-
54	852	COMMUNICATION SYSTEM EXPENSES	-	-	-	-	-	-	100.000%	-
55	856	MAIN EXPENSES	-	-	-	-	-	-	100.000%	-
56	859	OTHER EXPENSES	-	-	-	-	-	-	100.000%	-
57	860	RENTS-GAS TRANSMISSION	-	-	-	-	-	-		-
58	863	MAINTENANCE OF MAINS	-	-	-	-	-	-		-
59		TOTAL TRANSMISSION EXPENSES	-	-	-	-	-	-		-
60		<u>DISTRIBUTION EXPENSES:</u>								
61	870	OPERATION SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
62	871	DISTRIBUTION LOAD DISPATCHING	-	-	-	-	-	-	100.000%	-
63	874	MAINS AND SERVICES EXPENSES	-	32,997	-	-	-	32,997	100.000%	32,997
64	875	MEASURING AND REGULATING STATION EXP - GEN.	-	-	-	-	-	-	100.000%	-
65	876	MEASURING AND REGULATING STATION EXP - IND.	-	-	-	-	-	-	100.000%	-
66	877	MEASURING AND REGULATING STATION EXP - CG	-	-	-	-	-	-	100.000%	-
67	878	METER AND HOUSE REGULATOR EXPENSE	-	(895,158)	-	-	-	(895,158)	100.000%	(895,158)
68	879	CUSTOMER INSTALLATIONS EXPENSE	-	194,398	-	-	-	194,398	100.000%	194,398
69	880	OTHER EXPENSES	-	(204,398)	-	-	-	(204,398)	100.000%	(204,398)
70	881	RENTS-GAS DISTRIBUTION	-	-	-	-	-	-	100.000%	-
71	885	MAINTENANCE SUPERVISION AND ENGINEERING	-	-	-	-	-	-	100.000%	-
72	886	MAINTENANCE OF STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	100.000%	-
73	887	MAINTENANCE OF MAINS	-	309,384	-	-	-	309,384	100.000%	309,384
74	889	MTCE OF MEASURING AND REGULATING STATION EXP - GEN.	-	-	-	-	-	-	100.000%	-
75	890	MTCE MEASURING AND REGULATING STATION EXP - IND.	-	-	-	-	-	-	100.000%	-
76	891	MTCE MEASURING AND REGULATING STATION EXP - CG	-	-	-	-	-	-	100.000%	-
77	892	MAINTENANCE OF SERVICES	-	(303,192)	-	-	-	(303,192)	100.000%	(303,192)
78	893	MAINTENANCE OF METERS AND HOUSE REGULATORS	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 4 OF 10
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE GLT MECHANISM	REMOVE GSC MECHANISM	This adjustment left intentionally blank	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
74	894	MAINTENANCE OF OTHER EQUIPMENT	-	-	-	-	-	-	100.000%	-
75		TOTAL DISTRIBUTION EXPENSES	-	(865,968)	-	-	-	(865,968)		(865,968)
76		<u>CUSTOMER ACCOUNTS EXPENSES:</u>								
77	901	CUSTOMER ACCTS SUPERVISION	-	-	-	-	-	-	100.000%	-
78	902	METER READING EXPENSES	-	-	-	-	-	-	100.000%	-
79	903	CUSTOMER RECORDS AND COLLECTION EXPENSES	-	-	-	-	-	-	100.000%	-
80	904	UNCOLLECTIBLE ACCOUNTS	-	-	(149,524)	-	-	(149,524)	100.000%	(149,524)
81	905	MISC CUSTOMER ACCOUNTS EXPENSE	-	-	-	-	-	-	100.000%	-
82		TOTAL CUSTOMER ACCOUNTS EXPENSES	-	-	(149,524)	-	-	(149,524)		(149,524)
83		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES:</u>								
84	907	CUSTOMER SERVICE AND INFO SUPERVISION	-	-	-	-	-	-	100.000%	-
85	908	CUSTOMER ASSISTANCE EXPENSES	(3,278,356)	-	-	-	-	(3,278,356)	100.000%	(3,278,356)
86	909	INFORMATIONAL AND INSTRUCTURAL ADVERTISING EXP	-	-	-	-	-	-	100.000%	-
87	910	MISC CUSTOMER SERVICE AND INFO EXPENSES	-	-	-	-	-	-	100.000%	-
88		TOTAL CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	(3,278,356)	-	-	-	-	(3,278,356)		(3,278,356)
89		<u>SALES EXPENSES:</u>								
90	911	SALES SUPERVISION	-	-	-	-	-	-	100.000%	-
91	912	DEMONSTRATING AND SELLING EXPENSES	-	-	-	-	-	-	100.000%	-
92	913	ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
93	916	MISC SALES EXPENSES	-	-	-	-	-	-	100.000%	-
94		TOTAL SALES EXPENSES	-	-	-	-	-	-		-
95		<u>ADMINISTRATIVE AND GENERAL EXPENSES:</u>								
96	920	ADMINISTRATIVE AND GENERAL SALARIES	-	-	-	-	-	-	100.000%	-
97	921	OFFICE SUPPLIES AND EXPENSES	-	-	-	-	-	-	100.000%	-
98	922	ADMINISTRATIVE EXPENSES TRANSFERRED--CREDIT	-	-	-	-	-	-	100.000%	-

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY ACCOUNT
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCHEDULE WPD-2

SCHEDULE D-2
PAGE 5 OF 10
WITNESS: C. M. GARRETT

LINE NO.	ACCT. NO.	ACCOUNT TITLE	ADJ 1	ADJ 2	ADJ 3	ADJ 4	ADJ 5	TOTAL ADJUSTMENTS	JURIS. PERCENT	JURISDICTIONAL ADJUSTMENTS
			REMOVE DSM MECHANISM	REMOVE GLT MECHANISM	REMOVE GSC MECHANISM	This adjustment left intentionally blank	INTEREST SYNCHRONIZATION			
			\$	\$	\$	\$	\$	\$		\$
99	923	OUTSIDE SERVICES	-	-	-	-	-	-	100.000%	-
100	924	PROPERTY INSURANCE	-	-	-	-	-	-	100.000%	-
101	925	INJURIES AND DAMAGES	-	-	-	-	-	-	100.000%	-
102	926	EMPLOYEE PENSION AND BENEFITS	-	-	-	-	-	-	100.000%	-
103	927	FRANCHISE REQUIREMENTS	-	-	-	-	-	-	100.000%	-
104	928	REGULATORY COMMISSION EXPENSES	-	-	-	-	-	-	100.000%	-
105	929	DUPLICATE CHARGES--CREDIT	-	-	-	-	-	-	100.000%	-
106	930.1	GENERAL ADVERTISING EXPENSES	-	-	-	-	-	-	100.000%	-
107	930.2	MISC GENERAL EXPENSES	-	-	-	-	-	-	100.000%	-
108	931	RENTS	-	-	-	-	-	-	100.000%	-
109	935	MAINTENANCE OF GENERAL PLANT	-	-	-	-	-	-	100.000%	-
110		TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	-	-	-	-	-	-		-
111		TOTAL OPERATION AND MAINTENANCE EXPENSES	(3,278,356)	(865,968)	(101,726,129)	-	-	(105,870,453)		(105,870,453)
112	403-404	DEPRECIATION AND AMORTIZATION	-	(6,381,571)	-	-	-	(6,381,571)	100.000%	(6,381,571)
113	408.1	TAXES OTHER THAN INCOME TAXES	-	(2,133,730)	-	-	-	(2,133,730)	100.000%	(2,133,730)
114	409-411	FEDERAL INCOME TAXES	(142,890)	(5,805,044)	(110,287)	-	1,117,999	(4,940,223)	100.000%	(4,940,223)
115	409-411	STATE INCOME TAXES	(25,147)	(1,021,637)	(19,410)	-	196,758	(869,436)	100.000%	(869,436)
116	411.4	INVESTMENT TAX CREDIT	-	-	-	-	-	-	100.000%	-
117	411.8	LOSSES/(GAINS) FROM DISPOSITION OF ALLOWANCES	-	-	-	-	-	-	100.000%	-
118		TOTAL OPERATING EXPENSES	(3,446,393)	(16,207,950)	(101,855,826)	-	1,314,757	(120,195,412)		(120,195,412)
119		NET OPERATING INCOME	(265,367)	(10,780,796)	(204,820)	-	(1,314,757)	(12,565,739)		(12,565,739)

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
JURISDICTIONAL ADJUSTMENTS WORKPAPER
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE WPD-2
SHEET 1 OF 3
WITNESS: C. M. GARRETT

ADJ ID	Acct No.	Description	Actual Mar-16	Actual Apr-16	Actual May-16	Actual Jun-16	Actual Jul-16	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	TOTAL \$(000)
ADJ 1 DSM:															
DSM	480	RESIDENTIAL	226.134	264.391	335.357	213.596	294.803	265.558	210.986	365.471	305.659	250.533	460.879	217.960	3411.328
DSM	481.1	COMMERCIAL	6.826	6.138	9.924	7.179	10.707	10.168	7.920	12.724	6.502	5.586	10.086	5.774	99.533
DSM	481.2	INDUSTRIAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DSM	489	TRANSPORTATION OF GAS OF OTHERS	0.357	0.307	0.291	0.232	0.231	0.220	0.217	0.282	0.333	0.424	0.511	0.436	3.841
DSM	482	OTHER SALES TO PUBLIC AUTHORITIES	0.246	0.982	1.409	0.964	1.154	1.157	0.918	1.674	0.690	1.506	1.447	1.012	13.158
DSM	483-484	SALES FOR RESALE	0.000	0.000	0.000	0.000	0.000	0.000	183.900	0.000	0.000	0.000	0.000	0.000	183.900
		TOTAL DSM REVENUES	233.562	271.818	346.981	221.972	306.895	277.103	403.942	380.151	313.183	258.049	472.922	225.182	3711.760
DSM	908	908 - DSM PROGRAM EXP	214.670	249.734	319.282	204.191	281.946	254.735	202.301	349.492	287.584	237.616	403.348	273.457	3278.356
DSM	403-404	403 - DSM DEPRECIATION EXP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
ADJ 2 GAS LINE TRACKER (GLT):															
GLT	480	RESIDENTIAL	1203.758	1144.071	1342.929	1342.328	1358.159	1434.179	1469.139	1494.807	1545.640	1599.725	1559.428	2430.184	17924.347
GLT	481.1	COMMERCIAL	548.015	522.832	598.409	592.908	591.918	625.441	632.744	639.576	659.518	700.397	684.803	1040.973	7837.534
GLT	481.2	INDUSTRIAL	57.741	53.594	59.578	59.496	60.775	57.368	65.756	63.781	66.172	69.678	70.042	103.926	787.908
GLT	489	TRANSPORTATION OF GAS OF OTHERS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GLT	482	OTHER SALES TO PUBLIC AUTHORITIES	30.496	29.160	33.001	33.156	32.875	36.243	36.043	36.550	37.276	38.277	36.957	55.789	435.823
GLT	483-484	SALES FOR RESALE	0.245	0.246	0.260	0.260	0.260	0.260	0.260	0.260	0.260	0.260	0.260	0.307	3.134
		TOTAL GLT REVENUES	1840.255	1749.904	2034.177	2028.147	2043.987	2153.490	2203.942	2234.973	2308.865	2408.337	2351.490	3631.179	26988.747
GLT Expenses:															
GLT	874	874.1 - Other Mains/Serv Exp GLT	0.000	(10.890)	(0.688)	(0.035)	(1.383)	(1.980)	(1.839)	(5.060)	(5.239)	(0.998)	(0.367)	(4.518)	(32.997)
GLT	878	878.1 - Meter/Reg Expense GLT	62.488	50.470	77.371	62.443	66.141	61.493	63.664	83.198	132.445	113.113	70.396	51.936	895.158
GLT	879	879.1 - Cust Install Expense GLT	(24.976)	(17.847)	(17.107)	(15.051)	(17.802)	(18.183)	(20.133)	(12.272)	(16.984)	(12.254)	(8.415)	(13.375)	(194.398)
GLT	880	880.1 - Other Gas Distribution Exp GLT	(0.310)	4.837	30.103	26.859	15.765	3.831	3.450	17.281	32.642	68.560	(9.734)	11.113	204.398
GLT	887	887.1 - Mtce-Gas Mains-Distr GLT	(26.953)	(153.728)	(3.453)	(25.033)	(52.717)	(27.178)	13.878	(16.809)	1.271	(7.248)	8.521	(19.935)	(309.384)
GLT	892	892.1 - Mtce-Oth Services - GLT	2.095	6.389	29.825	16.061	28.301	82.889	48.435	39.253	(6.885)	60.057	12.915	(16.142)	303.192
GLT	403-404	403.6 - Depreciation - GLT	482.550	493.679	505.731	518.590	531.104	543.859	557.041	580.045	602.290	614.201	625.021	634.265	6688.375
GLT	403-404	403.6 - Depreciation (retirements) - GLT	(35.789)	(35.789)	(35.789)	(35.789)	(38.149)	(38.149)	0.000	(5.822)	(16.974)	(22.305)	(22.305)	(306.804)	
		TOTAL	459.105	337.120	585.994	548.045	533.620	606.583	664.495	679.814	722.566	813.126	676.031	621.039	7247.540
GLT	408.1	408.1 - Property Tax - GLT	170.197	170.197	170.197	170.197	170.197	170.197	170.197	170.197	170.197	170.197	215.880	215.880	2133.730
ADJ 3 GSC:															
GSC	480	RESIDENTIAL	5071.643	3730.498	1973.154	1340.658	1186.972	1393.931	1394.777	2026.307	6856.414	14780.637	13083.661	8721.562	61560.215
GSC	481.1	COMMERCIAL	2442.051	1655.660	1200.606	937.877	847.586	1002.962	967.210	1152.702	2945.101	6287.663	6065.243	4137.850	29642.509
GSC	481.2	INDUSTRIAL	312.183	247.288	372.606	332.939	242.621	329.606	330.559	507.787	867.417	747.476	519.684	660.537	5470.702
GSC	489	TRANSPORTATION OF GAS OF OTHERS													0.000
GSC	482	OTHER SALES TO PUBLIC AUTHORITIES	384.569	189.630	146.096	102.154	82.158	113.596	105.371	149.999	388.559	855.656	825.835	658.880	4002.503
GSC	483-484	SALES FOR RESALE	162.270	47.933	71.952	94.646	86.042	103.470	199.062	95.404	98.172	172.379	88.399	164.987	1384.717
		TOTAL GSC REVENUE	8372.717	5871.007	3764.414	2808.273	2445.381	2943.563	2996.980	3932.198	11155.663	22843.811	20582.821	14343.817	102060.646
GAS SUPPLY COST:															
GSC	801-803	803 - GAS TRANSMISSION LINE PURCHASES	5688.584	3697.692	4449.431	6471.243	11509.883	12398.339	12762.664	13025.120	8339.260	15340.575	10182.805	6536.996	110402.592
GSC	805	805 - GAS (OVER)/UNDER	(2025.373)	(1128.069)	(572.628)	447.831	(327.925)	473.547	(399.979)	40.691	654.839	(1493.961)	(1797.211)	(378.611)	(6506.849)
GSC	806	806 - EXCHANGE GAS	35.086	(1445.470)	(1786.233)	(432.340)	(973.037)	(374.540)	194.086	(24.626)	1547.974	1714.313	1340.770	1322.323	1118.307
GSC	807	807 - GAS PROCUREMENT EXP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSC	808	808 - GAS WITHDRAWN FR/DELIVERED TO STORAGE	4507.471	4690.566	1629.921	(3828.367)	(7804.895)	(9647.039)	(9704.566)	(9220.455)	487.284	6569.641	10701.416	6761.795	(4857.227)
GSC	812	812 - GAS USED FOR UTILITY OPERATIONS	(15.229)	(10.849)	(4.417)	(4.439)	(2.674)	(3.855)	(1.219)	(0.799)	(4.346)	(10.878)	(14.360)	(10.578)	(83.643)
GSC	813	813 - OTHER GAS SUPPLY EXPENSES	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSC	823	823 - GAS LOSSES	103.449	87.678	90.221	90.182	113.562	128.110	143.354	161.181	164.224	157.866	139.903	123.694	1503.424
GSC	904	904 - GSC UNCOLLECTIBLE EXPENSE	17.276	16.718	15.570	10.322	11.696	13.824	7.490	7.369	5.739	9.919	21.260	12.341	149.524
		TOTAL GAS SUPPLY EXPENSES	8311.264	5908.266	3821.866	2754.433	2526.610	2988.386	3001.829	3988.482	11194.975	22287.476	20574.583	14367.960	101726.129

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
CALCULATION OF CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION
FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S)::

SCHEDULE WPD-2
SHEET 3 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	WORKPAPER REFERENCE	BASE PERIOD	FORECASTED PERIOD
GAS:				
1	ADJUSTED JURISDICTIONAL CAPITALIZATION	J-1 , J-1.1/J-1.2	\$ 486,098,232	\$ 702,725,469
2	WEIGHTED COST OF DEBT	J-1 , J-1.1/J-1.2	1.80%	1.79%
3	INTEREST SYNCHRONIZATION		\$ 8,739,103	\$ 12,606,910
4	KENTUCKY JURISDICTIONAL INTEREST PER BOOKS (EXCLUDING OTHER INTEREST)		12,130,143	12,720,117
5	INTEREST SYNCHRONIZATION ADJUSTMENT (LINE 4 - 3)		\$ 3,391,040	\$ 113,207
6	COMPOSITE FEDERAL AND STATE TAX RATE	WPH-1.B	38.7715%	38.7715%
7	CURRENT TAX ADJUSTMENT FROM INTEREST SYNCHRONIZATION		<u>\$ 1,314,757</u>	<u>\$ 43,892</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(e)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A jurisdictional federal and state income tax summary for both the base period and the forecasted period with all supporting schedules of the various components of jurisdictional income taxes.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - ELECTRIC OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

E-1 ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

E-2 DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 1 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES	
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
1	Operating Income Before Income Taxes	232,198,293	(63,076,201)	169,122,091	(7,929,213)	161,192,878	93,680,828	254,873,706
2	Interest Charges	38,967,389	4,245,697	43,213,085	0	43,213,085		43,213,085
3	Book Net Income before Income Tax & Credits	193,230,904	(67,321,898)	125,909,006	(7,929,213)	117,979,793	93,680,828	211,660,621
4	Permanent Differences:							
5	Section 199 Manufacturing Deduction	0	0	0	0	0	0	0
6	Other Permanent Differences	221,345	(109,345)	112,000		112,000		112,000
7	Total Permanent Differences	221,345	(109,345)	112,000	0	112,000	0	112,000
8	Temporary Differences:							
9	Bonus Depreciation	(244,095,208)	65,209,775	(178,885,433)	0	(178,885,433)	0	(178,885,433)
10	Excess of Tax over Book Depreciation	(36,330,469)	1,251,114	(35,079,355)	0	(35,079,355)	0	(35,079,355)
11	Federal Net Operating Loss	155,187,806	(40,420,776)	114,767,030	7,468,712	122,235,742	(87,774,341)	34,461,401
12	Other Temporary Differences	(66,935,511)	36,076,119	(30,859,392)	0	(30,859,392)	0	(30,859,392)
13	Total Temporary Differences	(192,173,382)	62,116,232	(130,057,150)	7,468,712	(122,588,438)	(87,774,341)	(210,362,779)
14	Subtotal	1,278,867	(5,315,011)	(4,036,144)	(460,501)	(4,496,645)	5,906,487	1,409,842
15	Total State Tax Expense	4,508,431	(547,452)	3,960,979	460,076	4,421,055	(5,481,113)	(1,060,058)
16	Federal Taxable Income	5,787,298	(5,862,463)	(75,165)	(425)	(75,590)	425,374	349,784
17	Federal Income Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
18	Current Federal Tax Before Adjustments	2,025,554	(2,051,862)	(26,308)	(149)	(26,457)	148,881	122,424
19	Federal tax adjustments:							
20	Other Current Adjustments	0	(0)	0	0	0	0	0
21	Prior Period Adjustments	(25,543,714)	25,543,714	0	0	0	0	0
22	Total Federal Current Tax Expense	(23,518,160)	23,491,852	(26,308)	(149)	(26,457)	148,881	122,424
23	State Current Tax Expense:							
24	Federal Taxable Income	1,278,867	(5,315,011)	(4,036,144)	(460,501)	(4,496,645)	5,906,487	1,409,842
25	State tax adjustments:							
26	Addback Section 199 Manufacturing Deduction	0	0	0	0	0	0	0
27	State Section 199 Manufacturing Deduction	22,242	922,912	945,154	261,283	1,206,437	(2,328,946)	(1,122,509)
28	Addback Federal Net Operating Loss	(155,187,806)	40,420,776	(114,767,030)	(7,468,712)	(122,235,742)	87,774,341	(34,461,401)
29	Addback Bonus Depreciation	244,095,208	(65,209,775)	178,885,433	0	178,885,433	0	178,885,433
30	Addback Federal Tax Depreciation	172,640,490	17,145,361	189,785,851	0	189,785,851	0	189,785,851
31	State Tax Depreciation	(275,272,431)	(35,223,818)	(310,496,249)	0	(310,496,249)	0	(310,496,249)
32	Other Tax Adjustments	(5,290,928)	5,290,928	0	0	0	0	0
33	State Taxable Income	(17,714,359)	(41,968,626)	(59,682,985)	(7,667,930)	(67,350,914)	91,351,882	24,000,967
34	State Income Tax Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
35	State Current Tax Expense Before Adjustments	(1,062,862)	(2,518,118)	(3,580,979)	(460,076)	(4,041,055)	5,481,113	1,440,058
36	State Tax Credits and Adjustments:							
37	Kentucky Coal Credit	(274,656)	(105,344)	(380,000)	0	(380,000)	0	(380,000)
38	Other Current Adjustments	189,699	(189,699)	0	0	0	0	0
39	Prior Period Adjustments	(3,360,613)	3,360,613	0	0	0	0	0
40	Total State Current Tax Expense	(4,508,431)	547,452	(3,960,979)	(460,076)	(4,421,055)	5,481,113	1,060,058

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 2 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD	
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$	
41	INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS								
42	INVESTMENT TAX CREDIT:								
43	Amortization of ITC	1,792,158		(1,002,535)		(1,002,535)		(1,002,535)	
44	TOTAL INVESTMENT TAX CREDIT	1,792,158		(1,002,535)		(1,002,535)		(1,002,535)	
45	INCOME TAX DEFERRED - FEDERAL:								
46	Storm Damages	(2,211,243)	(264,951)	(2,476,194)		(2,476,194)		(2,476,194)	
47	Amortization Loss on Reacquired Debt	(352,093)	26,822	(325,271)		(325,271)		(325,271)	
48	Bonus Depreciation	85,433,323	(22,823,421)	62,609,902		62,609,902		62,609,902	
49	ARO CCR	2,099,478	1,932,080	4,031,558		4,031,558		4,031,558	
50	Contributions In Aid of Const. & Capitalized Interest	(1,658,160)	(2,893,404)	(4,551,564)		(4,551,564)		(4,551,564)	
51	Contingency Reserve	427,657	(427,657)	0		0		0	
52	Cost of Removal	9,301,112	816,829	10,117,941		10,117,941		10,117,941	
53	Demand Side Management	81,265	371,931	453,196		453,196		453,196	
54	Environmental Cost Recovery	(2,260,888)	3,137,723	876,835		876,835		876,835	
55	Fuel Adjustment Clause - KY	(23,688)	(353,765)	(377,453)		(377,453)		(377,453)	
56	Post Retirement Benefits	191,888	639,437	831,326		831,326		831,326	
57	Pensions	(1,743,963)	3,261,609	1,517,646		1,517,646		1,517,646	
58	Federal Net Operating Loss	(54,315,732)	14,147,272	(40,168,461)	(2,614,049)	(42,782,510)	30,721,019	(12,061,490)	
59	Interest Rate Swaps	(252,766)	(220,621)	(473,387)		(473,387)		(473,387)	
60	MISO Exit Fees	85,794	(64,346)	21,449		21,449		21,449	
61	Obsolete Inventory	0	0	0		0		0	
62	OSS Adjustment Clause - KY	(226,292)	185,824	(40,468)		(40,468)		(40,468)	
63	Tax Gain/Loss	3,538,075	(2,722,480)	815,595		815,595		815,595	
64	Refined Coal	(96,339)	139,239	42,900		42,900		42,900	
65	Regulatory Expenses	233,507	(417,006)	(183,500)		(183,500)		(183,500)	
66	Swap Termination	2,967,692	(3,095,561)	(127,869)		(127,869)		(127,869)	
67	Tax Depreciation in excess of Book Depreciation	9,797,454	(791,264)	9,006,190		9,006,190		9,006,190	
68	Other Deferred - Federal	11,809,638	(11,809,638)	0		0		0	
69	ADJUSTMENTS:								
70	Prior Period Adjustments	24,343,213	(24,343,213)	0		0		0	
71	Federal Excess Deferreds	(80,000)	12,230	(67,770)		(67,770)		(67,770)	
72	Permanent Loss on Tax Depreciation	171,888	(11,488)	160,400		160,400		160,400	
73	Solar Credit Carryforward	(2,942,920)	2,942,920	0		0		0	
74	Hydro and R&E Tax Credit	(795,117)	195,117	(600,000)		(600,000)		(600,000)	
73	Other	0	0	0		0		0	
74	TOTAL INCOME TAX DEFERRED - FEDERAL	SUM LN 46-73	83,522,782	(42,429,782)	41,093,000	(2,614,049)	38,478,951	30,721,019	69,199,970
75	TOTAL FEDERAL INCOME TAXES	LN 22+74	60,004,622	(18,937,930)	41,066,692	(2,614,198)	38,452,494	30,869,900	69,322,395

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - ELECTRIC
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 3 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
76	INCOME TAX DEFERRED - STATE:							
77	Storm Damages	(403,266)	(48,319)	(451,586)		(451,586)		(451,586)
78	Amortization Loss on Reacquired Debt	(64,212)	4,892	(59,320)		(59,320)		(59,320)
79	ARO CCR	382,883	352,355	735,239		735,239		735,239
80	Contributions In Aid of Const. & Capitalized Interest	(302,400)	(527,672)	(830,072)		(830,072)		(830,072)
81	Contingency Reserve	77,992	(77,992)	0		0		0
82	Cost of Removal	1,696,251	148,966	1,845,217		1,845,217		1,845,217
83	Demand Side Management	14,820	67,829	82,650		82,650		82,650
84	Environmental Cost Recovery	(412,320)	572,229	159,909		159,909		159,909
85	Fuel Adjustment Clause - KY	(4,320)	(64,516)	(68,836)		(68,836)		(68,836)
86	Post Retirement Benefits	38,560	113,049	151,610		151,610		151,610
87	Pensions	(318,048)	594,822	276,774		276,774		276,774
88	Interest Rate Swaps	(46,097)	(40,235)	(86,332)		(86,332)		(86,332)
89	MISO Exit Fees	15,646	(11,735)	3,912		3,912		3,912
90	Obsolete Inventory	0	0	0		0		0
91	OSS Adjustment Clause - KY	(41,269)	33,889	(7,380)		(7,380)		(7,380)
92	Tax Gain/Loss	799,460	(650,719)	148,741		148,741		148,741
93	Refined Coal	(17,570)	25,393	7,824		7,824		7,824
94	Regulatory Expenses	42,585	(76,050)	(33,465)		(33,465)		(33,465)
95	Swap Termination	541,220	(564,540)	(23,320)		(23,320)		(23,320)
96	Tax Depreciation in excess of Book Depreciation	8,337,745	1,009,641	9,347,385		9,347,385		9,347,385
97	Other Deferred - State	2,333,669	(2,333,669)	0		0		0
98	ADJUSTMENTS:							
99	Prior Period Adjustments	3,196,509	(3,196,509)	0		0		0
100	Excess Deferrals	(240,000)	41,432	(198,568)		(198,568)		(198,568)
101	Permanent Loss on Tax Depreciation	31,347	(6,351)	24,996		24,996		24,996
102	Other	0	0	0		0		0
103	TOTAL INCOME TAX DEFERRED - STATE	15,659,187	(4,633,811)	11,025,377	0	11,025,377	0	11,025,377
104	TOTAL STATE INCOME TAXES	11,150,756	(4,086,358)	7,064,398	(460,076)	6,604,322	5,481,113	12,085,435
105	TOTAL INCOME TAXES	72,947,536	(23,024,288)	47,128,555	(3,074,274)	44,054,281	36,351,013	80,405,295

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - ELECTRIC OPERATIONS
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-2
PAGE 1 OF 1
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL UTILITY	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT	JURISDICTIONAL CODE / EXPLANATION
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ALL DATA 100% JURISDICTIONAL

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371 - GAS OPERATIONS

BASE PERIOD: FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

E-1	ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
E-2	DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 1 OF 3

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES					AT PROPOSED RATES	
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
1	Operating Income Before Income Taxes	50,173,699	11,347,069	61,520,768	280,646	61,801,414	13,324,420	75,125,834
2	Interest Charges	8,739,103	3,867,808	12,606,910	0	12,606,910		12,606,910
3	Book Net Income before Income Tax & Credits	41,434,596	7,479,262	48,913,857	280,646	49,194,503	13,324,420	62,518,923
4	Permanent Differences:							
5	Section 199 Manufacturing Deduction	0	0	0	0	0	0	0
6	Other Permanent Differences	51,920	(23,920)	28,000		28,000		28,000
7	Total Permanent Differences	51,920	(23,920)	28,000	0	28,000	0	28,000
8	Temporary Differences:							
9	Bonus Depreciation	(46,415,685)	20,888,524	(25,527,161)	0	(25,527,161)	0	(25,527,161)
10	Excess of Tax over Book Depreciation	88,684	(23,257,439)	(23,168,755)	0	(23,168,755)	0	(23,168,755)
11	Federal Net Operating Loss	26,801,096	(21,842,524)	4,958,572	(264,347)	4,694,225	(12,964,979)	(8,270,754)
12	Other Temporary Differences	(22,838,554)	18,800,729	(4,037,826)	0	(4,037,826)	0	(4,037,826)
13	Total Temporary Differences	(42,364,459)	(5,410,709)	(47,775,169)	(264,347)	(48,039,516)	(12,964,979)	(61,004,495)
14	Subtotal	(877,943)	2,044,632	1,166,689	16,299	1,182,988	359,441	1,542,428
15	Total State Tax Expense	95,785	(1,192,125)	(1,096,341)	(16,284)	(1,112,625)	(779,590)	(1,892,215)
16	Federal Taxable Income	(782,159)	852,507	70,348	15	70,363	(420,149)	(349,786)
17	Federal Income Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
18	Current Federal Tax Before Adjustments	(273,756)	298,377	24,622	5	24,627	(147,052)	(122,425)
19	Federal tax adjustments:							
20	Other Current Adjustments	(0)	0	0	0	0	0	0
21	Prior Period Adjustments	3,302,664	(3,302,664)	0	0	0	0	0
22	Total Federal Current Tax Expense	3,028,909	(3,004,287)	24,622	5	24,627	(147,052)	(122,425)
23	State Current Tax Expense:							
24	Federal Taxable Income	(877,943)	2,044,632	1,166,689	16,299	1,182,988	359,441	1,542,428
25	State tax adjustments:							
26	Addback Section 199 Manufacturing Deduction	0	0	0	0	0	0	0
27	State Section 199 Manufacturing Deduction	493,765	(396,777)	96,988	(9,248)	87,740	(331,251)	(243,511)
28	Addback Federal Net Operating Loss	(26,801,096)	21,842,524	(4,958,572)	264,347	(4,694,225)	12,964,979	8,270,754
29	Addback Bonus Depreciation	46,415,685	(20,888,524)	25,527,161	0	25,527,161	0	25,527,161
30	Addback Federal Tax Depreciation	34,520,577	22,486,867	57,007,444	0	57,007,444	0	57,007,444
31	State Tax Depreciation	(51,758,568)	(8,808,795)	(60,567,363)	0	(60,567,363)	0	(60,567,363)
32	Other Tax Adjustments	(426,643)	426,643	0	0	0	0	0
33	State Taxable Income	1,565,777	16,706,569	18,272,346	271,398	18,543,744	12,993,169	31,536,913
34	State Income Tax Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
35	State Current Tax Expense Before Adjustments	93,947	1,002,394	1,096,341	16,284	1,112,625	779,590	1,892,215
36	State Tax Credits and Adjustments:							
37	Kentucky Coal Credit	0	0	0	0	0	0	0
38	Other Current Adjustments	(189,699)	189,699	0	0	0	0	0
39	Prior Period Adjustments	(32)	32	0	0	0	0	0
40	Total State Current Tax Expense	(95,785)	1,192,125	1,096,341	16,284	1,112,625	779,590	1,892,215

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

SCHEDULE E-1
PAGE 2 OF 3

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		\$	\$	\$	\$	\$	\$	
41	INVESTMENT TAX CREDITS & INCOME TAXES DEFERRED IN PRIOR YEARS							
42	INVESTMENT TAX CREDIT:							
43	Amortization of ITC	(58,104)		(35,870)		(35,870)		(35,870)
44	TOTAL INVESTMENT TAX CREDIT	(58,104)		(35,870)		(35,870)		(35,870)
45	INCOME TAX DEFERRED - FEDERAL:							
46	Storm Damages	(5,517)	36	(5,481)		(5,481)		(5,481)
47	Amortization Loss on Reacquired Debt	(67,565)	896	(66,669)		(66,669)		(66,669)
48	Bonus Depreciation	16,245,490	(7,310,984)	8,934,506		8,934,506		8,934,506
49	Contributions In Aid of Const. & Capitalized Interest	(151,340)	(838,603)	(989,943)		(989,943)		(989,943)
50	Contingency Reserve	0	0	0		0		0
51	Cost of Removal	998,020	1,238,041	2,236,061		2,236,061		2,236,061
52	Demand Side Management	657,510	(657,510)	0		0		0
53	Post Retirement Benefits	120,474	49,918	170,392		170,392		170,392
54	Pensions	1,343,066	(1,032,002)	311,064		311,064		311,064
55	Federal Net Operating Loss	(9,380,384)	7,644,883	(1,735,500)	92,521	(1,642,979)	4,537,743	2,894,764
56	Gas Line Tracker	(437,009)	450,188	13,180		13,180		13,180
57	Interest Rate Swaps	(63,191)	(33,836)	(97,027)		(97,027)		(97,027)
58	Obsolete Inventroy	0	0	0		0		0
59	Purchased Gas Adjustment	2,684,320	(2,891,297)	(206,977)		(206,977)		(206,977)
60	Regulatory Expenses	68,999	(105,153)	(36,154)		(36,154)		(36,154)
61	Swap Termination	0	0	0		0		0
62	Tax Depreciation in excess of Book Depreciation	(391,175)	7,938,937	7,547,762		7,547,762		7,547,762
63	Other Tax Deferred	2,357,159	(2,357,159)	0		0		0
64	ADJUSTMENTS:							
65	Prior Period Adjustments	(3,371,700)	3,371,700	0		0		0
66	Federal Excess Deferrals	(20,000)	5,078	(14,922)		(14,922)		(14,922)
67	Permanent Loss on Tax Depreciation	0	0	0		0		0
68	Other	0	0	0		0		0
69	TOTAL INCOME TAX DEFERRED - FEDERAL	10,587,156	5,473,135	16,060,291	92,521	16,152,812	4,537,743	20,690,555
70	TOTAL FEDERAL INCOME TAXES	13,616,065	2,468,848	16,084,912	92,527	16,177,439	4,390,690	20,568,130

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
COMPUTATION OF FEDERAL AND STATE INCOME TAX - GAS
FOR THE BASE PERIOD TME FEBRUARY 28, 2017 AND FORECAST PERIOD TME JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-1
PAGE 3 OF 3
WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJUSTMENTS	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	FORECASTED PERIOD
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$	(6) \$	(7) \$
71	INCOME TAX DEFERRED - STATE:							
72	Storm Damages	(1,006)	7	(1,000)		(1,000)		(1,000)
73	Amortization Loss on Reacquired Debt	(12,322)	163	(12,158)		(12,158)		(12,158)
74	Contributions In Aid of Const. & Capitalized Interest	(27,600)	(152,937)	(180,537)		(180,537)		(180,537)
75	Contingency Reserve	0	0	0		0		0
76	Cost of Removal	182,010	225,783	407,792		407,792		407,792
77	Demand Side Management	119,911	(119,911)	0		0		0
78	Post Retirement Benefits	21,971	9,104	31,075		31,075		31,075
79	Pensions	244,936	(188,207)	56,729		56,729		56,729
80	Gas Line Tracker	(79,698)	82,101	2,404		2,404		2,404
81	Interest Rate Swaps	(11,524)	(6,171)	(17,695)		(17,695)		(17,695)
82	Obsolete Inventroy	0	0	0		0		0
83	Purchased Gas Adjustment	489,542	(527,288)	(37,747)		(37,747)		(37,747)
84	Regulatory Expenses	12,583	(19,177)	(6,593)		(6,593)		(6,593)
85	Swap Termination	0	0	0		0		0
86	Tax Depreciation in excess of Book Depreciation	1,028,958	574,762	1,603,720		1,603,720		1,603,720
87	Other Tax Deferred	457,109	(457,109)	0		0		0
88	ADJUSTMENTS:							
89	Prior Period Adjustments	165,505	(165,505)	0		0		0
90	Excess Deferrals	(60,000)	16,260	(43,740)		(43,740)		(43,740)
91	Permanent Loss on Tax Depreciation	0	0	0		0		0
92	TOTAL INCOME TAX DEFERRED - STATE	2,530,375	(728,125)	1,802,250		1,802,250		1,802,250
93	TOTAL STATE INCOME TAXES	2,434,591	464,000	2,898,591	16,284	2,914,875	779,590	3,694,465
94	TOTAL INCOME TAXES	15,992,552	2,932,848	18,947,633	108,811	19,056,444	5,170,281	24,226,725

LOUISVILLE GAS AND ELECTRIC COMPANY
CASE NO. 2016-00371 - GAS OPERATIONS
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BASE YEAR FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017
FORECAST PERIOD FOR THE 12 MONTHS ENDED JUNE 30, 2018

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE E-2

PAGE 1 OF 1

WITNESS: C. M. GARRETT

LINE NO.	DESCRIPTIONS BY MAJOR GROUPINGS OR ACCOUNT	UNADJUSTED TOTAL UTILITY	JURIS. PERCENT	UNADJUSTED JURISDICTIONAL AMOUNT	JURISDICTIONAL CODE / EXPLANATION
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ALL DATA 100% JURISDICTIONAL

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(f)
Sponsoring Witnesses: Christopher M. Garrett

Description of Filing Requirement:

Summary schedules for both the base period and the forecasted period (the utility may also provide a summary segregating those items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas & Electric
Case No. 2016-00371
Organization Membership Dues, Initiation Fees and Expenditures at Country Clubs
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues
Base Period - Recoverable		
930	Electric Power Research Institute (EPRI)	1,793,352
930	Edison Electric Institute (EEI)	336,589
930	American Gas Association	189,832
930	Utility Air Regulatory Group (UARG)	119,432
930	Utility Water Act Group (UWAG)	42,910
930	North American Transmission Forum	39,858
930	Hunton And Williams LLP	38,850
930	Baker Botts LLP	33,459
930	Steptoe & Johnson LLC	24,063
930	Bracewell and Giuliani LLP	22,659
930	National Electric Energy Testing Research and Applications Center	19,795
930	University Of Louisville	18,500
163	Sciencetech Corporation	17,493
930	Southern Gas Association	17,400
930	Chartwell Inc	13,887
930	Energy Central	11,000
930	Kentucky Gas Association	10,000
930	Utilities Telecom Council	7,950
930	American Coal Ash Association	7,350
930	Coal Utilization Research Council	7,350
921/930	Kentucky Association of Manufacturers	6,930
930	Southeastern Electric Exchange	6,541
921	Kentucky Society Of CPA'S	5,640
930	Waterways Council Inc	5,627
921/930	American Institute of CPA's	5,355
930	Southern Company Services	5,312
500/921/930	Vendors < \$5,000	97,119
	Total Base Period - Recoverable	2,904,253
Base Period - Not Recoverable		
426	Edison Electric Institute (EEI)	47,748
426	Kentucky Chamber Of Commerce	25,502
426	American Gas Association	8,945
426	Coal Utilization Research Council	7,350
426	Waterways Council Inc	4,794
426	Various Vendors	9,713
	Total Base Period - Not Recoverable	104,052

LGE FR_16(8)(f)

Schedule F-1

Account No.	Organization/Membership	Dues
<u>Forecasted Period - Recoverable</u>		
930	Electric Power Research Institute (EPRI)	1,690,894
930	Edison Electric Institute (EEI)	301,129
930	American Gas Association	207,600
930	Utility Air Regulatory Group (UARG)	154,530
930	Utility Water Act Group (UWAG)	45,450
930	Midwest Ozone Group Membership (MOG)	31,270
930	Utility Solid Waste Activities Group (USWAG)	30,906
Various	Other non-specific LGE Dues	418,455
Total Forecasted Test Period - Recoverable		<u>2,880,234</u>

Note> Portion of Forecasted test period Recoverable Dues are not completed in specific vendor detail and are shown as "Other non-specific LGE Dues". For various and multiple accounts, the lowest jurisdictional percentage was used.

<u>Forecasted Period - Not Recoverable</u>		
426	Edison Electric Institute (EEI)	49,067
426	Non-Recoverable Dues	6,267
Total Forecasted Test Period - Not Recoverable		<u>55,334</u>

Note> Forecasted test year period Not Recoverable Dues are not completed in specific vendor detail and are shown as "Non-Recoverable Dues".

* There are no initiation fees or expenditures at country clubs included in the base or test year.

Louisville Gas and Electric Company
Case No. 2016-00371
Charitable Contributions
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
Base Period - Not Recoverable		
426.1	SIERRA CLUB	1,000,000
426.1	ASSOC OF COMMUNITY MINISTRIES	500,000
426.1	LOUISVILLE ORCHESTRA INC	200,000
426.1	HOME ENERGY ASSISTANCE	180,000
426.1	KY DERBY FESTIVAL	177,200
426.1	THE LOUISVILLE ZOO	150,300
426.1	LIGHT UP LOUISVILLE	150,000
426.1	GREATER LOUISVILLE INC	136,860
426.1	COMMUNITY WINTERHELP INC	117,831
426.1	LINCOLN FOUNDATION	101,500
426.1	PROJECT WARM	100,000
426.1	AMERICAN RED CROSS	91,100
426.1	THE SPEED ART MUSEUM	72,500
426.1	UNIVERSITY OF LOUISVILLE	70,908
426.1	ACTORS THEATRE OF LOUISVILLE	61,629
426.1	FUND FOR THE ARTS	60,000
426.1	METRO UNITED WAY	54,087
426.1	HABITAT FOR HUMANITY OF METRO LOU	51,000
426.1	LOUISVILLE URBAN LEAGUE	46,000
426.1	CATHOLIC EDUCATION FOUNDATION	44,000
426.1	COMMUNITY FOUNDATION OF LOUISVILLE INC	35,000
426.1	DOWNTOWN DEVELOPMENT CORP	35,000
426.1	FRIENDS OF THE VILLE	35,000
426.1	TWENTY FIRST CENTURY PARKS INC	27,600
426.1	LOUISVILLE BALLET	25,000
426.1	MUHAMMAD ALI CENTER	25,000
426.1	SIMMONS COLLEGE OF KENTUCKY	25,000
426.1	WOMEN 4 WOMEN INC	25,000
426.1	JUNIOR ACHIEVEMENT	24,890
426.1	LEADERSHIP LOUISVILLE FOUNDATION	22,500
426.1	LOUISVILLE METRO PARKS FOUNDATION	20,088
426.1	KENTUCKY SCIENCE CENTER	17,750

LGE FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
426.1	JEFFERSON COUNTY PUBLIC EDUCATION FOUNDATION	15,500
426.1	UNIVERSITY OF LOUISVILLE FOUNDATIONS, INC.	15,200
426.1	COURT APPOINTED SPECIAL ADVOCATES	14,000
426.1	100 BLACK MEN OF LOUISVILLE	12,000
426.1	SOUTHWEST COMMUNITY MINISTRIES INC	11,790
426.1	KENTUCKY ASSOC OF MANUFACTURERS	11,000
426.1	GILDAS CLUB LOUISVILLE	10,100
426.1	BELLARMINE UNIVERSITY	10,000
426.1	KENTUCKIANA WORKS FOUNDATION	10,000
426.1	KENTUCKY DERBY MUSEUM	10,000
426.1	STAGE ONE FAMILY THEATRE	10,000
426.1	KENTUCKY SOCIETY OF WASHINGTON	10,000
426.1	THE DARRELL GRIFFITH FOUNDATION	10,000
426.1	WATERFRONT DEVELOPMENT CORP	10,000
426.1	VARIOUS VENDORS < \$10,000	549,013
Total Base Period		4,391,346

Forecasted Test Period - Not Recoverable

426.1	ASSOC OF COMMUNITY MINISTRIES / METROMATCH	500,000
426.1	LIGHT UP LOUISVILLE	220,000
426.1	KENTUCKY DERBY FESTIVAL	190,000
426.1	HOME ENERGY ASSISTANCE	180,000
426.1	COMMUNITY WINTERHELP INC	100,000
426.1	LOUISVILLE ORCHESTRA	100,000
426.1	LOUISVILLE ZOO	100,000
426.1	PROJECT WARM	100,000
426.1	BACKPACK PROGRAM	65,400
426.1	HABITAT FOR HUMANITY	68,000
426.1	URBAN LEAGUE	68,000
426.1	FUND FOR THE ARTS	54,400
426.1	ACTORS THEATRE OF LOUISVILLE	50,000
426.1	LEADERSHIP LOUISVILLE	50,000
426.1	MUHAMMAD ALI CENTER	50,000
426.1	CENTRE COLLEGE	34,000
426.1	FRAZIER HISTORY MUSEUM	34,000
426.1	THE LINCOLN FOUNDATION	34,000
426.1	WOMEN 4 WOMEN, INC.	32,640
426.1	METRO UNITED WAY	27,200
426.1	LOUISVILLE METRO PARKS	25,500
426.1	COMMUNITY FOUNDATION OF LOUISVILLE	25,000

LGE FR_16(8)(f)

Schedule F-2

Account No.	Charitable Organization	Total Utility
426.1	LOUISVILLE BALLET	25,000
426.1	THE CENTER FOR WOMEN	25,000
426.1	UNIVERSITY OF LOUISVILLE FOUNDATIONS, INC.	25,000
426.1	GIRL SCOUTS OF KENTUCKIANA	17,000
426.1	LEADERSHIP KENTUCKY FOUNDATION	17,000
426.1	MARYHURST	17,000
426.1	SIMMONS COLLEGE	17,000
426.1	THE HEALING PLACE	17,000
426.1	VARIOUS FORECASTED TEST PERIOD CHARITABLE CONTRIBUTIONS	782,917
Total Forecasted Test Period		3,051,057

Louisville Gas and Electric Company
Case No. 2016-00371
Expenditures for Employee Parties and Outings, Employee Gift Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-3

Account No.	Description	Total Utility
<u>Base Period - Recoverable</u>		
Various	Safety Recognition	24,576
	Total Safety Recognition	24,576
<u>Base Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	503,121
	Total All Other Employee Recognition	503,121
	Total Base Period	527,697
<u>Forecasted Period - Recoverable</u>		
Various	Safety Recognition	27,584
	Total Safety Recognition	27,584
<u>Forecasted Period - Not Recoverable</u>		
426.5	All Other Employee Recognition	754,643
	Total All Other Employee Recognition	754,643
	Total Forecasted Period	782,227

Louisville Gas and Electric Company
Case No. 2016-00371
Marketing and Sales Expenditures
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-4

Account No.	Description of Expenses	Base Period	Forecasted Test
		Total Utility	Total Utility
Customer Service & Informational			
907	Supervision	417,238	467,417
908	Customer Assistance	434,061	371,566
910	Miscellaneous Customer Service & Informational	915,303	1,065,592
	Totals	1,766,602	1,904,575

NOTE> Account 908, Customer Assistance, excludes amounts from Demand Side Management Programs (DSM), which are not recovered through base rates.

Sales Expense			
911	Supervision	-	-
912	Demonstration & Selling	-	-
916	Miscellaneous Sales Expense	-	-
	Totals	-	-

Louisville Gas & Electric
Case No. 2016-00371
Advertising
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

		BASE PERIOD	Schedule F-5 FORECASTED
Account No.	Description of Expenses	Total Utility	Total Utility
	<u>Recoverable Expenses</u>		
909	Informational or Safety Advertising	501,902	330,092
	Totals	501,902	330,092
	<u>Non - Recoverable Expenses</u>		
913	Sales or Promotional Advertising	1,255,026	1,219,034
930.1	Institutional or Other Advertising	28,440	46,475
	Totals	1,283,466	1,265,509

Louisville Gas & Electric Company
Case No. 2016-00371
Professional Service Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-6

Professional Services	Base Period	Forecasted Test Period
Description of Expenses	Total Utility	Total Utility
Computer Hardware And Software	7,520,390	7,690,929
Contracted Labor And Materials	6,392,818	6,566,517
Legal Fees	4,661,391	3,776,620
Consulting Fees	991,576	1,402,093
Other	866,137	898,991
Totals	20,432,312	20,335,150

Louisville Gas and Electric Company
Case No. 2016-00371
Rate Case Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-7

Account No.	Description of Expense	Total Utility
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Total Estimated Kentucky Rate Case Expenses

928	Legal	\$ 760,980
928	Consultants	108,630
928	Newspaper Advertising	522,612

	Total Estimated Kentucky Rate Case Expenses	\$ 1,392,222
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Electric

928	Legal	\$ 601,155
928	Consultants	85,814
928	Newspaper Advertising	412,849

	Total Estimated Kentucky Electric Rate Case Expenses	\$ 1,099,818
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Gas

928	Legal	\$ 159,826
928	Consultants	22,816
928	Newspaper Advertising	109,762

	Total Estimated Kentucky Gas Rate Case Expenses	\$ 292,404
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Account No.	Description of Expenses	Base Period Total Utility	Forecasted Test Period Total Utility
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Regulatory Commission Expenses

928	FERC Annual Charge	349,136	438,440
928	Rate Case Amortization - Electric	379,200	745,798
928	Rate Case Amortization - Gas	94,800	192,264
928	Miscellaneous - Electric	288,112	219,842
928	Miscellaneous - Gas	1,831	2,250

	Totals	1,113,079	1,598,594
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Louisville Gas and Electric Company
Case No. 2016-00371
Civic and Political Activity Expenses
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(f)

Schedule F-8

		<u>Base Period</u>	<u>Forecasted Period</u>
<u>Account No.</u>	<u>Item</u>	<u>Total Utility</u>	<u>Total Utility</u>
	Non - Recoverable Expenses		
426.4	Civic/Political	586,202	413,167
	Totals	<u>586,202</u>	<u>413,167</u>

Amount under Base Period reflects 12 months of actuals for the period March 2016 - February 2017.

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(g)
Sponsoring Witness: Kent W. Blake / Gregory J. Meiman

Description of Filing Requirement:

Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.

Response:

See attached for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to a Petition for Confidential Protection. Note that the attached payroll analysis includes an allocation of LG&E and KU Services ("LKS") labor dollars.

On an annual basis the Company relies on benchmark information in calibrating the level of its primary components of compensation and benefits arrangements.

With regard to compensation, various third-party benchmarking and salary planning surveys from the energy services and general industries are utilized. The 50th percentile is used to establish the market midpoint of the annual salary ranges. Compensation is then managed within the low (70% of midpoint) and high (130% of midpoint) based on various factors including education, experience, performance, time in job and tenure. Compensation is considered competitive or "at market" if it is within +/- 10% of the market midpoint. A separate study from Willis Towers Watson is attached, which validates the Company's current compensation is at market.

Since 2001, LG&E-KU has participated in healthcare benchmarking surveys to ensure our medical benefits are in alignment. Our survey comparisons include national and local employers as well as utilities. Adjustments are made in premiums and plan structure in order to keep benefits in line with benchmarks. Benchmark data, medical claim information and medical trend data is utilized in structuring plan offerings and medical premiums. A separate study from Mercer is attached, reflecting relevant national, local, general industry and utility benchmark data.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals for non-confidential information responsive to this request. All confidential information responsive to this request is being provided under seal pursuant to the Petition for Confidential Protection submitted on November 23, 2016. Note that the attached payroll analysis includes an allocation of LG&E and KU Services ("LKS") labor dollars and employees.

Louisville Gas and Electric Company

Case No. 2016-00371

K. Blake

Payroll Costs

Base Period: Twelve Months Ended February 28, 2017

Forecasted Test Period: Twelve Months Ended June 30, 2018

Payroll Costs	Base Period	Adjustments	Forecasted Test Period
Wages and Salaries:			
Straight & OT/Premium	\$ 139,649,595	\$ 2,231,336	\$ 141,880,931
Off-duty Costs	22,061,760	586,656	22,648,416
Employee Benefits	65,056,038	5,588,402	70,644,440
Payroll Taxes	12,742,074	1,333,161	14,075,235
Total Payroll Costs	<u>\$ 239,509,467</u>	<u>\$ 9,739,555</u>	<u>\$ 249,249,022</u>
Additional Information:			
LG&E Employees	\$ 136,804,942	\$ 6,016,542	\$ 142,821,484
LKS Allocation	100,535,237	3,975,295	104,510,532
KU Employees	2,169,288	(252,282)	1,917,006
	<u>239,509,467</u>	<u>9,739,555</u>	<u>249,249,022</u>
LG&E Employees Charging KU	(21,046,680)	10,263	(21,036,417)
LG&E Employees Charging Others	81	(81)	-
LG&E Total Payroll	<u>\$ 218,462,868</u>	<u>\$ 9,749,737</u>	<u>\$ 228,212,605</u>

Note 1: The information contained in this filing requirement includes all amounts for Louisville Gas and Electric employees as well as amounts charged to Louisville Gas and Electric by LG&E and KU Services and Kentucky Utilities.

Note 2: This schedule has been revised to reflect updated amounts related to employee benefits and payroll taxes for the forecasted test period. Amounts charged from the Utility were inadvertently excluded for these categories. The updated amounts now reflect both amounts charged to the Utility and from the Utility as previously noted (see Note 1).

Louisville Gas and Electric Company
Case No. 2016-00371
Payroll Analysis
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

Description	Base Period	% Change	Forecasted Period
<u>Man Hours</u>			
Salary/Straight Time Hours	3,156,880	2.56%	3,237,644
OverTime Hours	275,388	-7.77%	254,004
Total Man Hours	3,432,268	1.73%	3,491,648
Ratio of OT Hours to ST Hours	8.72%		7.85%
<u>Straight Time & OverTime/Premium Dollars</u>			
Salary/Straight Time Dollars	123,722,210	4.17%	128,875,975
OverTime/Premium Dollars	15,927,385	-18.35%	13,004,956
Total Labor Dollars	139,649,595	1.60%	141,880,931
Ratio of OT Dollars to ST Dollars	12.87%		10.09%
O&M Labor Dollars	88,251,405	7.84%	95,167,752
Ratio of O&M Labor Dollars to Total Labor Dollars	63.19%		67.08%
O&M Allocation % - Electric	78%		73%
O&M Labor Dollars - Electric	68,836,096	0.92%	69,472,459
O&M Allocation % - Gas	22%		27%
O&M Labor Dollars - Gas	19,415,309	32.35%	25,695,293
<u>Off-duty Dollars</u>			
Total Off-Duty Dollars	22,061,760	2.66%	22,648,416
Off-Duty Dollars O&M	14,132,367	12.14%	15,848,131
Ratio of Off-Duty O&M to Total Off-Duty	64.06%		69.97%
<u>Employee Benefits</u>			
Total Employee Benefits	65,056,038	8.59%	70,644,440
Employee Benefits O&M	41,549,979	15.88%	48,146,613
Ratio of Employee Benefits O&M to Total Employee Benefits	63.87%		68.15%
<u>Payroll Taxes</u>			
Total Payroll Taxes	12,742,074	10.46%	14,075,235
Payroll Taxes O&M	8,060,966	18.94%	9,587,487
Ratio of Payroll Taxes O&M to Total Payroll Taxes	63.26%		68.12%
<u>Employee Levels</u>			
Average Employee Levels	1,016	4.82%	1,065
Period-End Employee Levels	1,019	5.00%	1,070

Note 1: The information contained in this filing requirement includes all amounts for

Louisville Gas and Electric employees as well as amounts charged to Louisville Gas and Electric by LG&E and KU Services and Kentucky Utilities.

Note 2: Headcount information shown on this schedule reflects only those employees of

Louisville Gas and Electric whereas labor dollars and man hours also include charges from LG&E and KU Services and Kentucky Utilities.

Note 3: This schedule has been revised to reflect updated amounts related to employee benefits and payroll taxes for the forecasted test period. Amounts charged from the Utility were inadvertently excluded for these categories. The updated amounts now reflect both amounts charged to the Utility and from the Utility as previously noted (see Note 1).

CONFIDENTIAL INFORMATION REDACTED

Louisville Gas and Electric Company

Case No. 2016-00371

Officer Compensation

Updated Base Period: Twelve Months Ended February 28, 2017 (3/1/2016 through 2/28/2017)

Job Title	Salary (1)	Other Compensation (2)
Treasurer		
VP Gas Distribution		
SVP Operations (3)		
Chief Financial Officer		
VP Power Production		
VP State Regulation and Rates		
VP Corporate Responsibility and Community Affairs (4)		
VP Transmission		
VP Customer Services		
SVP Human Resources / VP Human Resources		
VP Deputy General Counsel and Environmental		
General Counsel/Compliance/Corporate Secretary		
Controller		
VP External Affairs		
VP Energy Supply and Analysis		
Chief Information Officer		
Chairman CEO and President (5)	\$811,220	\$2,232,323
Chief Operating Officer (6)		
VP Transmission/Generation Svc		
VP Communications		
VP Electric Distribution		
Average of All Officers	\$299,373	\$331,784

(1) Reflects 2017 annual and other salary adjustments.

(2) Other compensation includes cash based short-term incentives and stock based long-term incentives. None of the incentive pay is included in the cost of service.

(3) Title effective 1/16/2017.

(4) This officer position was not back-filled.

(5) Title changed to Chairman and CEO effective 1/16/2017.

(6) Title changed to President and Chief Operating Officer effective 1/16/2017.

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(h)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A computation of the gross revenue conversion factor for the forecasted period.

Response:

See attached.

Base Period Update Response:

No update is required for this section.

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(i)
Sponsoring Witnesses: Kent W. Blake

Description of Filing Requirement:

Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for the five (5) most recent calendar years from the application filing date, the base period, the forecasted period, and two (2) calendar years beyond the forecast period.

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2016.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas & Electric Company
Case No. 2016-00371
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(i)

Schedule I-1

Total Company	Most Recent Five Fiscal Years					Base Period	Test Year	Forecasted		
	2011	2012	2013	2014	2015	2/28/2017	6/30/2018	2018	2019	2020
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	\$ 1,059,750,303	\$ 1,069,346,402	\$ 1,096,596,442	\$ 1,177,644,420	\$ 1,146,077,403	\$ 1,136,060,321	\$ 1,171,652,143	\$ 1,183,273,751	\$ 1,193,796,101	\$ 1,202,056,469
Gas Operating Revenues	304,574,422	254,278,399	324,221,274	360,282,966	319,521,344	284,851,572	329,547,967	331,315,068	335,404,413	343,392,527
Total Operating Revenue	1,364,324,725	1,323,624,802	1,420,817,715	1,537,927,386	1,465,598,747	1,420,911,893	1,501,200,109	1,514,588,820	1,529,200,514	1,545,448,995
Operating Expenses										
Fuel for Electric Generation	360,968,393	385,916,157	379,035,049	415,537,575	339,561,704	309,781,807	309,193,152	310,663,857	306,962,476	312,476,319
Power Purchased	74,894,547	52,477,768	48,124,184	47,842,269	59,903,876	56,529,890	56,991,850	56,831,642	49,900,484	46,691,480
Gas Supply Expenses	161,865,706	115,461,798	159,274,580	194,255,411	142,271,053	100,919,855	134,892,015	133,675,874	131,226,696	132,103,996
Other Operation Expenses	235,647,275	230,522,003	245,282,973	254,080,283	248,995,044	240,339,706	265,156,595	270,025,893	271,262,029	277,648,597
Maintenance	116,359,069	118,770,589	113,413,021	111,790,202	114,048,758	100,749,786	121,464,220	117,464,746	128,673,136	113,158,035
Depreciation & Amortization Expense	147,046,078	152,140,316	147,663,032	156,614,817	161,973,258	171,633,549	227,429,508	234,370,136	260,278,945	274,485,987
Regulatory Debits	-	-	-	-	-	139,978	1,104,229	1,392,415	2,009,171	2,665,350
Federal & State Income Taxes	20,228,383	1,991,653	69,186,223	(14,305,499)	(10,019,534)	(19,338,392)	3,342,509	4,265,593	3,489,606	20,263,071
Deferred Federal & State Income Taxes	54,235,400	70,969,611	25,067,465	119,955,790	127,518,774	143,552,301	98,581,360	98,406,483	91,920,273	74,562,686
Property and Other Taxes	28,121,584	31,025,991	32,517,048	34,200,411	37,400,046	40,008,567	45,540,857	47,006,521	50,148,167	55,169,785
Investment Tax Credit	-	-	-	-	-	2,942,920	-	-	-	-
Amortization of Investment Tax Credit	(2,805,732)	(2,847,617)	(2,100,342)	(1,788,780)	(1,338,634)	(1,208,866)	(1,038,405)	(969,780)	(1,007,761)	(937,751)
Loss(Gain) from Disposition of Allowances	(2,578)	(694)	(282)	(427)	(123)	(72)	-	-	-	-
Total Operating Expenses	1,196,558,124	1,156,427,575	1,217,462,951	1,318,182,052	1,220,314,223	1,146,051,029	1,262,657,890	1,273,133,379	1,294,863,221	1,308,287,556
Net Operating Income	167,766,601	167,197,226	203,354,764	219,745,334	245,284,525	274,860,864	238,542,219	241,455,440	234,337,293	237,161,439
Other Income less deductions	1,079,398	(2,051,782)	(2,656,846)	(2,494,255)	(3,419,680)	(3,938,777)	(2,168,958)	(2,169,699)	(2,212,530)	(2,215,725)
Income before Interest Charge:	168,845,999	165,145,444	200,697,919	217,251,078	241,864,845	270,922,087	236,373,261	239,285,741	232,124,763	234,945,714
Interest Charges	44,659,694	42,222,666	41,997,315	49,119,128	56,445,271	70,851,518	74,921,456	76,787,447	82,368,572	84,185,867
Net Income	\$ 124,186,305	\$ 122,922,778	\$ 158,700,603	\$ 168,131,950	\$ 185,419,574	\$ 200,070,569	\$ 161,451,806	\$ 162,498,294	\$ 149,756,192	\$ 150,759,847

Louisville Gas & Electric Company
Case No. 2016-00371
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(i)

Schedule I-1

Electric Only	Most Recent Five Fiscal Years					Base Period	Test Year	Forecasted		
	2011	2012	2013	2014	2015	2/28/2017	6/30/2018	2018	2019	2020
INCOME STATEMENT										
Operating Revenues										
Electric Operating Revenues	\$ 1,059,750,303	\$ 1,069,346,402	\$ 1,096,596,442	\$ 1,177,644,420	\$ 1,146,077,403	\$ 1,136,060,321	\$ 1,171,652,143	\$ 1,183,273,751	\$ 1,193,796,101	\$ 1,202,056,469
Total Operating Revenue	1,059,750,303	1,069,346,402	1,096,596,442	1,177,644,420	1,146,077,403	1,136,060,321	1,171,652,143	1,183,273,751	1,193,796,101	1,202,056,469
Operating Expenses										
Fuel for Electric Generation	360,968,393	385,916,157	379,035,049	415,537,575	339,561,704	309,781,807	309,193,152	310,663,857	306,962,476	312,476,319
Power Purchased	74,894,547	52,477,768	48,124,184	47,842,269	59,903,876	56,529,890	56,991,850	56,831,642	49,900,484	46,691,480
Other Operation Expenses	191,550,323	187,293,192	198,769,150	206,129,577	195,985,246	186,550,257	204,335,204	208,255,818	210,331,899	215,413,387
Maintenance	96,235,088	97,601,940	95,645,484	92,657,578	94,604,630	83,863,274	102,826,340	97,894,552	108,358,842	93,521,353
Depreciation & Amortization Expense	124,634,432	128,381,713	121,609,186	127,028,861	129,668,819	136,879,299	188,112,036	193,805,317	214,679,558	225,112,119
Regulatory Debits						139,978	1,104,229	1,392,415	2,009,171	2,665,350
Federal & State Income Taxes	37,411,239	8,463,356	54,304,064	5,689,590	(10,446,698)	(23,549,167)	2,815,887	4,159,795	909,183	3,954,215
Deferred Federal & State Income Taxes	12,115,729	51,212,094	17,163,020	79,901,624	107,206,480	125,902,762	78,983,319	78,703,366	74,626,849	70,540,382
Property and Other Taxes	21,610,184	23,824,390	25,031,903	26,115,114	28,340,155	30,056,157	34,238,920	35,338,321	37,974,910	41,752,031
Investment Tax Credit	-	-	-	-	-	2,942,920	-	-	-	-
Amortization of Investment Tax Credit	(2,670,412)	(2,721,997)	(1,987,122)	(1,691,460)	(1,260,914)	(1,150,762)	(1,002,535)	(944,560)	(1,001,241)	(935,731)
Loss(Gain) from Disposition of Allowances	(2,578)	(694)	(282)	(427)	(123)	(72)	-	-	-	-
Total Operating Expenses	916,746,946	932,447,919	937,694,636	999,210,301	943,563,176	907,946,343	977,598,402	986,100,521	1,004,752,129	1,011,190,905
Net Operating Income	143,003,357	136,898,483	158,901,806	178,434,119	202,514,227	228,113,978	194,053,741	197,173,230	189,043,972	190,865,563

Louisville Gas & Electric Company
Case No. 2016-00371
Comparative Income Statement
Base Period: Twelve Months Ended February 28, 2017
Forecasted Test Period: Twelve Months Ended June 30, 2018

LGE FR_16(8)(i)

Schedule I-1

Gas Only	Most Recent Five Fiscal Years					Base	Test	Forecasted		
	2011	2012	2013	2014	2015	Period	Year	2018	2019	2020
INCOME STATEMENT										
Operating Revenues										
Gas Operating Revenues	\$ 304,574,422	\$ 254,278,399	\$ 324,221,274	\$ 360,282,966	\$ 319,521,344	\$ 284,851,572	\$ 329,547,967	\$ 331,315,068	\$ 335,404,413	\$ 343,392,527
Total Operating Revenue	304,574,422	254,278,399	324,221,274	360,282,966	319,521,344	284,851,572	329,547,967	331,315,068	335,404,413	343,392,527
Operating Expenses										
Gas Supply Expenses	161,865,706	115,461,798	159,274,580	194,255,410	142,271,053	100,919,855	134,892,015	133,675,874	131,226,696	132,103,996
Other Operation Expenses	44,096,952	43,228,811	46,513,823	47,950,706	53,009,798	53,789,449	60,821,390	61,770,075	60,930,130	62,235,210
Maintenance	20,123,981	21,168,649	17,767,537	19,132,623	19,444,128	16,886,512	18,637,880	19,570,194	20,314,294	19,636,682
Depreciation & Amortization Expense	22,411,645	23,758,603	26,053,846	29,585,956	32,304,438	34,754,250	39,317,472	40,564,820	45,599,387	49,373,868
Federal & State Income Taxes	(17,182,856)	(6,471,702)	14,882,159	(19,995,089)	427,164	4,210,775	526,622	105,798	2,580,423	16,308,856
Deferred Federal & State Income Taxes	42,119,671	19,757,517	7,904,444	40,054,166	20,312,294	17,649,539	19,598,041	19,703,117	17,293,424	4,022,305
Property and Other Taxes	6,511,399	7,201,601	7,485,145	8,085,298	9,059,891	9,952,410	11,301,937	11,668,200	12,173,257	13,417,754
Amortization of Investment Tax Credit	(135,320)	(125,620)	(113,220)	(97,320)	(77,720)	(58,104)	(35,870)	(25,220)	(6,520)	(2,020)
Total Operating Expenses	279,811,178	223,979,656	279,768,315	318,971,751	276,751,047	238,104,686	285,059,488	287,032,858	290,111,092	297,096,651
Net Operating Income	24,763,244	30,298,743	44,452,959	41,311,215	42,770,297	46,746,886	44,488,479	44,282,210	45,293,321	46,295,876

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(j)
Sponsoring Witness: Daniel K. Arbough

Description of Filing Requirement:

A cost of capital summary for both the base period and forecasted period with supporting schedules providing details on each component of the capital structure.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE J

COST OF CAPITAL

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

FORECASTED PERIOD : FOR THE 12 MONTHS ENDED JUNE 30, 2018

SCHEDULE

DESCRIPTION

J-1	COST OF CAPITAL SUMMARY
J-1.1/J-1.2	AVERAGE FORECASTED PERIOD CAPITAL STRUCTURE
J-2	EMBEDDED COST OF SHORT-TERM DEBT
J-3	EMBEDDED COST OF LONG-TERM DEBT
B-1.1	JURISDICTIONAL RATE BASE FOR CAPITAL ALLOCATION

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

COST OF CAPITAL SUMMARY

AS OF FEBRUARY 28, 2017

DATA: BASE PERIOD FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING: ORIGINAL UPDATED REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 2 OF 4

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	ADJUSTMENT AMOUNT	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=CxD)	(F)	(G=E+F)	(H)	(I)	(J=HxI)
			\$	%	\$	\$	\$	%	%	%
ELECTRIC:										
1	SHORT-TERM DEBT	J-2	109,984,686	82.27%	90,484,402	(26,896,545)	63,587,856	2.93%	0.95%	0.03%
2	LONG-TERM DEBT	J-3	1,599,893,636	82.27%	1,316,232,495	(391,250,936)	924,981,559	42.68%	4.15%	1.77%
3	COMMON EQUITY		<u>2,039,130,855</u>	82.27%	<u>1,677,592,955</u>	<u>(498,665,560)</u>	<u>1,178,927,395</u>	<u>54.39%</u>	<u>10.23%</u>	<u>5.56%</u>
4	TOTAL CAPITAL		<u><u>3,749,009,178</u></u>		<u><u>3,084,309,851</u></u>	<u><u>(916,813,041)</u></u>	<u><u>2,167,496,810</u></u>	<u><u>100.00%</u></u>		<u><u>7.36%</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

COST OF CAPITAL SUMMARY

AS OF FEBRUARY 28, 2017

DATA: X BASE PERIOD FORECASTED PERIOD

DATE OF CAPITAL STRUCTURE: AS OF END OF BASE PERIOD

TYPE OF FILING: ORIGINAL X UPDATED REVISED

WORKPAPER REFERENCE NO(S).:

SCHEDULE J-1

PAGE 4 OF 4

WITNESS: D. K. ARBOUGH

LINE NO.	CLASS OF CAPITAL	WORKPAPER REFERENCE	AMOUNT	JURISDICTIONAL RATE BASE PERCENTAGE	JURISDICTIONAL CAPITAL	ADJUSTMENT AMOUNT	JURISDICTIONAL ADJUSTED CAPITAL	PERCENT OF TOTAL	COST RATE	WEIGHTED COST
	(A)	(B)	(C)	(D)	(E=CxD)	(F)	(G=E+F)	(H)	(I)	(J=HxI)
			\$	%	\$	\$	\$	%	%	%
GAS:										
1	SHORT-TERM DEBT	J-2	109,984,686	17.73%	19,500,285	(5,239,621)	14,260,664	2.93%	0.95%	0.03%
2	LONG-TERM DEBT	J-3	1,599,893,636	17.73%	283,661,142	(76,218,206)	207,442,935	42.68%	4.15%	1.77%
3	COMMON EQUITY		<u>2,039,130,855</u>	17.73%	<u>361,537,901</u>	<u>(97,143,268)</u>	<u>264,394,633</u>	<u>54.39%</u>	<u>10.23%</u>	<u>5.56%</u>
4	TOTAL CAPITAL		<u><u>3,749,009,178</u></u>		<u><u>664,699,327</u></u>	<u><u>(178,601,095)</u></u>	<u><u>486,098,232</u></u>	<u><u>100.00%</u></u>		<u><u>7.36%</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Net Original Cost Rate Base as of February 28, 2017

Title of Account (1)	Total Electric (2)	ECR (3)	DSM (4)	ARO (5)	Trimble County Inventories (6)	Pro Forma Adjustments (7)	Base Electric (8) (2 - 3 - 4 - 5 - 6 - 7)	Total Gas (9)	GLT (10)	DSM (11)	ARO (12)	Pro Forma Adjustments (13)	Base Gas (14) (9 - 10 - 11 - 12 - 13)	Total Company (15) (2 + 9)
1. Utility Plant at Original Cost (a)	\$ 5,586,710,947	\$ 1,200,151,127	\$ 7,954,950	\$ 128,100,531	\$ -	\$ -	\$ 4,250,504,340	\$ 1,219,170,370	\$ 223,471,817	\$ -	\$ 19,059,501	\$ -	\$ 976,639,052	\$ 6,805,881,317
2. Deduct:														
3. Reserve for Depreciation (a)	1,725,800,913	37,154,923	1,884,576	21,917,761	-	-	1,664,843,653	349,298,241	8,576,844	0	(645,820)	-	341,367,217	2,075,099,154
4. Net Utility Plant	3,860,910,034	1,162,996,204	6,070,374	106,182,770	-	-	2,585,660,687	869,872,129	214,894,973	0	19,705,321	-	635,271,835	4,730,782,163
5. Deduct:														
6. Customer Advances for Construction	1,555,216	-	-	-	-	-	1,555,216	4,746,274	-	-	-	-	4,746,274	6,301,490
7. Accumulated Deferred Income Taxes (a)	792,321,204	228,093,608	1,482,743	-	-	-	562,744,853	202,179,218	36,219,726	0	-	-	165,959,492	994,500,422
8. Total Deductions	793,876,420	228,093,608	1,482,743	-	-	-	564,300,069	206,925,492	36,219,726	0	-	-	170,705,766	1,000,801,912
9. Net Plant Deductions	3,067,033,614	934,902,596	4,587,632	106,182,770	-	-	2,021,360,617	662,946,637	178,675,247	0	19,705,321	-	464,566,068	3,729,980,251
10. Add:														
11. Material and Supplies (b)(c)	103,956,999	145	-	-	6,622,646	-	97,334,208	1,067,229	-	-	-	-	1,067,229	105,024,228
12. Gas Stored Underground (b)	-	-	-	-	-	-	-	27,393,893	-	-	-	-	27,393,893	27,393,893
13. Prepayments (d)	11,092,136	-	-	-	-	-	11,092,136	2,318,307	-	-	-	-	2,318,307	13,410,443
14. Cash Working Capital (page 2)	72,524,417	1,129,768	-	-	-	-	71,394,649	8,834,495	-	-	-	-	8,834,495	81,358,912
15. Unamortized Closure Costs	4,506,933	4,506,933	-	-	-	-	-	-	-	-	-	-	-	4,506,933
16. Total Additions	192,080,485	5,636,846	-	-	6,622,646	-	179,820,993	39,613,924	-	-	-	-	39,613,924	231,694,409
17. Total Net Original Cost Rate Base	\$ 3,259,114,099	\$ 940,539,442	\$ 4,587,632	\$ 106,182,770	\$ 6,622,646	\$ -	\$ 2,201,181,610	\$ 702,560,561	\$ 178,675,247	\$ -	\$ 19,705,321	\$ -	\$ 504,179,992	\$ 3,961,674,660
18. ARO Balance Sheet Offset				(106,182,770)			106,182,770				(19,705,321)		19,705,321	-
19. Total Net Original Cost Rate Base for Capital Allocation	\$ 3,259,114,099	\$ 940,539,442	\$ 4,587,632	\$ -	\$ 6,622,646	\$ -	\$ 2,307,364,380	\$ 702,560,561	\$ 178,675,247	\$ -	\$ -	\$ -	\$ 523,885,314	\$ 3,961,674,660
20. Percentage of Rate Base to Total Company Rate Base	82.27%	23.74%	0.12%	0.00%	0.17%	0.00%	58.24%	17.73%	4.51%	0.00%	0.00%	0.00%	13.22%	100.00%

(a) Common utility plant and the reserve for depreciation are allocated 70% to the Electric Department and 30% to the Gas Department.
 (b) Average for 13 months.
 (c) Includes emission allowances.
 (d) Excludes PSC fees.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Calculation of Cash Working Capital
 As of February 28, 2017**

Title of Account (1)	Total Electric (2)	ECR (3)	DSM (4)	ARO (5)	Trimble County Inventories (6)	Pro Forma Adjustments (7)	Base Electric (8) (2 - 3 - 4 - 5 - 6 - 7)	Total Gas (9)	GLT (10)	DSM (11)	ARO (12)	Pro Forma Adjustments (13)	Base Gas (14) (9 - 10 - 11 - 12 - 13)	Total Company (15) (2 + 9)
1. Operating and maintenance expense for the 12 months ended February 28, 2017	\$ 636,725,228	\$ 9,038,145	\$ -	\$ -	\$ -	\$ -	\$ 627,687,083	\$ 171,595,816	\$ -	\$ -	\$ -	\$ -	\$ 171,595,816	\$ 808,321,044
2. Deduct:														
3. Electric Power Purchased	56,529,890	-	-	-	-	-	56,529,890							56,529,890
4. Gas Supply Expenses								100,919,855	-	-	-	-	100,919,855	100,919,855
5. Total Deductions	\$ 56,529,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,529,890	\$ 100,919,855	\$ -	\$ -	\$ -	\$ -	\$ 100,919,855	\$ 157,449,745
6. Remainder (Line 1 - Line 5)	\$ 580,195,338	\$ 9,038,145	\$ -	\$ -	\$ -	\$ -	\$ 571,157,193	\$ 70,675,961	\$ -	\$ -	\$ -	\$ -	\$ 70,675,961	\$ 650,871,299
7. Cash Working Capital (12 1/2% of Line 6)	\$ 72,524,417	\$ 1,129,768	\$ -	\$ -	\$ -	\$ -	\$ 71,394,649	\$ 8,834,495	\$ -	\$ -	\$ -	\$ -	\$ 8,834,495	\$ 81,358,912

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(k)
Sponsoring Witnesses: Kent W. Blake

Description of Filing Requirement:

Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period.

Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2016.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

Louisville Gas and Electric Company
Case No. 2016-00371
Attachment to Filing Requirement
807 KAR 5:001 Section 16(8)(k)
Base Period: Twelve Months Ending February 28, 2017
Forecasted Test Period: Twelve Months Ending June 30, 2018
Page 1 of 2
Witness: Kent Blake

Line No.	Description	Forecasted Period											
		(a)	Base Period	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
1	Utility Plant in Service (\$000)												
2	Common												
3	Common General Plant	\$ 177,691	\$ 159,314	\$ 170,281	\$ 167,861	\$ 158,964	\$ 153,000	\$ 159,632	\$ 160,482	\$ 163,407	\$ 158,551	\$ 149,511	\$ 150,813
4	Common Intangible Plant	118,722	100,715	95,663	86,140	77,667	66,225	63,132	59,170	62,628	31,879	28,321	28,878
5	Total Common	296,414	260,029	265,944	254,001	236,631	219,225	222,764	219,652	226,034	190,431	177,832	179,691
6	Less: Accumulated Provision for Depreciation and Amortization	159,270	135,044	138,395	135,128	117,206	99,961	97,371	93,637	106,227	100,810	80,021	82,956
7	Common Plant in Service-Net	\$ 137,144	\$ 124,985	\$ 127,549	\$ 118,873	\$ 119,425	\$ 119,264	\$ 125,393	\$ 126,015	\$ 119,807	\$ 89,621	\$ 97,811	\$ 96,735
8	Electric Plant												
9	Electric Distribution	\$ 1,397,733	\$ 1,311,020	\$ 1,232,856	\$ 1,161,485	\$ 1,090,365	\$ 1,050,893	\$ 987,725	\$ 938,834	\$ 892,658	\$ 822,054	\$ 761,760	\$ 753,578
10	Electric General	27,763	21,120	17,652	20,991	17,796	16,107	15,950	16,572	16,833	16,861	16,648	16,887
11	Hydro Production Plant	147,920	127,661	96,726	96,133	61,910	60,974	42,552	41,697	41,596	40,750	29,738	17,885
12	Electric Intangible Plant	2	2	2	2	3	2	2	3	2	2	3	1
13	Electric Other Production	401,859	383,825	365,284	245,297	242,886	242,259	237,783	231,168	231,250	226,801	225,593	225,437
14	Electric Steam Production	3,120,489	2,998,630	2,743,677	2,624,427	2,250,838	2,207,315	2,155,753	1,946,276	1,903,881	1,973,883	1,957,342	1,945,258
15	Electric Transmission	450,715	425,844	382,269	347,911	319,310	304,594	292,320	282,788	242,968	257,660	254,545	240,068
16	Total Electric Plant - Gross	5,546,481	5,268,102	4,838,466	4,496,246	3,983,108	3,882,144	3,732,085	3,457,338	3,329,188	3,338,011	3,245,629	3,199,114
17	Less: Accumulated Depreciation and Amortization	1,767,181	1,631,271	1,589,337	2,008,999	1,925,797	1,852,617	1,783,823	1,720,718	1,635,096	1,618,966	1,573,660	1,487,732
18	Electric Plant in Service-Net	\$ 3,779,300	\$ 3,636,831	\$ 3,249,129	\$ 2,487,247	\$ 2,057,311	\$ 2,029,527	\$ 1,948,262	\$ 1,736,619	\$ 1,694,092	\$ 1,719,045	\$ 1,671,969	\$ 1,711,382
19	Gas Plant												
20	Gas Distribution	\$ 982,330	\$ 896,433	\$ 818,369	\$ 756,502	\$ 700,841	\$ 645,232	\$ 611,817	\$ 574,219	\$ 544,481	\$ 511,327	\$ 464,243	\$ 440,121
21	Gas General Plant	13,409	12,171	11,065	10,992	9,476	9,274	8,467	9,305	9,226	9,038	9,033	10,346
22	Gas Intangible Plant	-	-	-	-	-	2	1	1	1	1	1	2
23	Gas Storage	172,865	162,562	141,096	134,450	98,723	96,675	83,235	81,507	70,864	65,901	64,394	63,188
24	Gas Transmission	55,509	55,466	52,773	48,384	35,751	29,332	23,001	16,662	14,879	12,902	12,902	12,894
25	Total Gas Plant - Gross	1,224,113	1,126,632	1,023,303	950,328	844,791	780,515	726,521	681,694	639,451	599,168	550,573	526,551
26	Less: Accumulated Depreciation and Amortization	343,934	308,784	288,205	272,699	261,130	249,178	236,680	228,744	220,515	219,391	206,166	195,902
27	Gas Plant in Service-Net	\$ 880,179	\$ 817,848	\$ 735,098	\$ 677,629	\$ 583,661	\$ 531,337	\$ 489,841	\$ 452,950	\$ 418,936	\$ 379,777	\$ 344,407	\$ 330,649
28	Plant Held for Future Use	3,127	3,127	5,867	5,867	5,523	1,892	649	4,832	4,832	4,832	649	706
29	Construction Work In Progress	495,107	147,991	389,846	676,320	651,432	258,365	215,276	385,324	342,127	374,023	344,442	217,873
30	Net Utility Plant	\$ 5,294,857	\$ 4,730,782	\$ 4,507,489	\$ 3,965,936	\$ 3,417,353	\$ 2,940,385	\$ 2,779,422	\$ 2,705,740	\$ 2,579,794	\$ 2,567,298	\$ 2,459,278	\$ 2,357,345
31	Capital Structure: (\$000)												
32	(\$'s Based on Period-End Accounts)												
33	Short-Term Debt	\$ 170,236	109,985	141,969	263,956	19,997	54,993	-	174,876	170,400	221,999	78,241	69,074
34	Long-Term Debt	1,880,187	1,629,942	1,654,729	1,354,744	1,354,403	1,105,915	1,105,636	942,156	896,104	896,104	984,304	799,304
35	Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	89,175
36	Common Equity	2,311,769	2,039,131	1,940,270	1,783,851	1,570,219	1,424,518	1,376,846	1,335,909	1,252,740	1,234,987	1,161,164	1,094,134
37	Total	\$ 4,362,192	\$ 3,779,058	\$ 3,736,968	\$ 3,402,551	\$ 2,944,619	\$ 2,585,426	\$ 2,482,482	\$ 2,452,941	\$ 2,319,244	\$ 2,353,090	\$ 2,223,709	\$ 2,051,687
38	Condensed Income Statement Data: (\$000)												
39	Operating Revenues	\$ 1,501,200	\$ 1,420,912	\$ 1,465,599	\$ 1,537,927	\$ 1,420,818	\$ 1,323,625	\$ 1,364,325	\$ 1,318,559	\$ 1,280,993	\$ 1,473,319	\$ 1,285,137	\$ 1,337,890
40	Operating Expenses (Excluding Income Taxes)	1,116,232	980,095	1,066,753	1,180,120	1,092,793	1,055,288	1,096,778	1,068,371	1,088,146	1,230,788	1,033,948	1,093,207
41	Federal and State Income Taxes	3,343	(19,338)	(10,019)	(14,305)	69,186	1,992	20,229	34,922	29,167	44,325	42,246	74,016
42	Deferred Federal and State Income Taxes	98,581	143,552	127,519	119,956	25,067	70,969	54,236	30,037	9,777	(4,758)	10,976	(8,238)
43	Property and Other Taxes	45,541	40,009	37,400	34,200	32,517	31,027	28,121	22,571	23,544	23,957	21,895	21,709
44	Investment Tax Credit	-	2,943	-	-	-	-	-	-	3,649	8,121	8,980	3,000
45	Amortization of Investment Tax Credit	(1,038)	(1,210)	(1,339)	(1,789)	(2,100)	(2,848)	(2,806)	(2,502)	(3,044)	(3,871)	(3,951)	(4,022)
46	Net Operating Income	238,542	274,861	245,285	219,745	203,355	167,197	167,767	165,160	129,754	174,757	171,043	158,218
47	Other Income (Deductions), Net	(2,169)	(3,939)	(3,420)	(2,494)	(2,657)	(2,052)	1,079	10,717	13,106	(31,218)	(805)	(723)
48	Income before Interest Charges	236,373	270,922	241,865	217,251	200,698	165,145	168,846	175,877	142,860	143,539	170,238	157,495
49	Interest Charges	74,921	70,851	56,445	49,119	41,997	42,222	44,660	48,163	47,743	53,339	49,855	40,666
50	Net Income	161,452	200,071	185,420	168,132	158,701	122,923	124,186	127,714	95,117	90,200	120,383	116,829
51	Preferred Dividends	-	-	-	-	-	-	-	-	-	-	941	3,706
52	Net Income Available for Common Equity	\$ 161,452	\$ 200,071	\$ 185,420	\$ 168,132	\$ 158,701	\$ 122,923	\$ 124,186	\$ 127,714	\$ 95,117	\$ 90,200	\$ 119,442	\$ 113,123

(a) Data for forecast does not reflect any impact from rate case activity beyond 2016.

Line No.	Description	Forecasted Period											
		(a)	Base Period	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
53	Cash Flow (millions)												
54	Net operating cash flows	495	535	554	371	366	305	325	181	309	197	143	320
55	Net investing cash flows	(638)	(425)	(689)	(656)	(577)	(286)	(42)	(170)	(176)	(232)	(201)	(147)
56	Net Free Cash Flow before dividends	\$ (143)	\$ 110	\$ (135)	\$ (285)	\$ (211)	\$ 19	\$ 283	\$ 11	\$ 133	\$ (35)	\$ (58)	\$ 173
57	Cost of Capital:												
58	Embedded Cost of Debt (Short and Long Term)	3.71%	4.15%	3.93%	3.16%	3.56%	3.43%	3.81%	3.97%	4.40%	4.34%	4.93%	4.40%
59	Embedded Cost of Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5%
60	Fixed Charge Coverages:												
61	Ratio of Earnings to Fixed Charges	4.3	6.4	6.0	6.3	6.6	5.3	5.2	4.7	3.7	3.8	4.4	4.8
62	Stock and Bond Ratings:												
63	Moody's Senior Secured	A1	A1	A1	A1	A1	A2	A2	A2	N/A	N/A	N/A	A1
64	S&P Senior Secured	A	A	A	A-	A-	A-	A-	A	N/A	N/A	N/A	A-
65	Fitch Senior Secured	N/A	N/A	N/A	A+	A+	A+	A+	A+	N/A	N/A	N/A	N/A
66	Moody's Commercial Paper	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-2	P-1	P-1	P-1	P-1
67	S&P Commercial Paper	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2	A-2
68	Fitch Commercial Paper	N/A	N/A	N/A	F2	F2	F2	F2	F2	N/A	N/A	N/A	N/A
69	Moody's Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Baa1
70	S&P Preferred Stock	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BBB-
71	Common Stock Related Data:												
72	Dividend Payout Ratio (Declared Basis)	0.65	0.64	0.64	0.67	0.62	0.61	0.67	0.43	0.84	0.44	0.54	0.84
73	Rate of Return Measures:												

(a) Data for forecast does not reflect any impact from rate case activity beyond 2016.

(71) In November and December 2010, dividend payments changed due to the acquisition of Louisville Gas and Electric Company by PPL Corporation.

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(1)
Sponsoring Witness: Robert M. Conroy

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes.

Response:

Please refer to testimony of Robert M. Conroy and also refer to the Proposed Tariff Sheets under KAR 5:001 Section 16(1)(b)(3)[Tab No. 4] and the Side By Side Comparisons under KAR 5:001 Section 16(1)(b)(4)[Tab No. 5].

Base Period Update Response:

No update is required for this section.

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(m)
Sponsoring Witness: William Steven Seelye

Description of Filing Requirement:

A revenue summary for both the base period and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes.

Response:

See attached.

Base Period Update Response:

See attached for the updated base period to reflect 12 months of actuals.

SCHEDULE M

REVENUE SUMMARY FOR THE BASE AND FORECASTED PERIOD

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2016-00371

BASE PERIOD : FOR THE 12 MONTHS ENDED FEBRUARY 28, 2017

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
	ELECTRIC OPERATIONS
M-1.1-E	BASE PERIOD REVENUES AT CURRENT ELECTRIC RATES
M-1.2-E	AVERAGE BILL AT CURRENT ELECTRIC RATES
M-1.3-E, PGS 1	SUMMARY OF BASE ELECTRIC REVENUES
M-1.3-E, PGS 2-22	DETAILED CALCULATION OF BASE PERIOD ELECTRIC REVENUES

	GAS OPERATIONS
M-1.1-G	BASE PERIOD REVENUES AT CURRENT GAS RATES
M-1.2-G	AVERAGE BILL AT CURRENT GAS RATES
M-1.3-G, PG 1	SUMMARY OF BASE GAS REVENUES
M-1.3-G, PGS 2-8	DETAILED CALCULATION OF BASE PERIOD GAS REVENUES

FORECASTED PERIOD: FOR THE 12 MONTHS ENDED JUNE 30, 2018

<u>SCHEDULE</u>	<u>DESCRIPTION</u>
	ELECTRIC OPERATIONS
M-2.1-E	FORECAST PERIOD REVENUES AT CURRENT AND PROPOSED ELECTRIC RATES
M-2.2-E	AVERAGE BILL COMPARISON AT CURRENT AND PROPOSED ELECTRIC RATES
M-2.3-E, PGS 1-2	SUMMARY OF PROPOSED ELECTRIC REVENUE INCREASE
M-2.3-E, PGS 3-24	CALCULATION OF PROPOSED ELECTRIC RATE INCREASE

	GAS OPERATIONS
M-2.1-G	FORECAST PERIOD REVENUES AT CURRENT AND PROPOSED GAS RATES
M-2.2-G	AVERAGE BILL COMPARISON AT CURRENT AND PROPOSED GAS RATES
M-2.3-G, PG 1	SUMMARY OF PROPOSED GAS REVENUE INCREASE
M-2.3-G, PGS 2-9	CALCULATION OF PROPOSED GAS RATE INCREASE

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Base Period Revenues at Current Electric Rates
for the Twelve Months Ending February 28, 2017
Electric Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):

Schedule M-1.1-E
Page 1 of 1
Witness: W. S. SEELYE

Rate Class	Total Revenue at Current Rates
Residential Service	\$ 432,942,722
Residential Time-of-Day Service	\$ 44,927
General Service	\$ 151,508,208
Power Service-Secondary	\$ 173,929,403
Power Service-Primary	\$ 11,810,193
Time-of-Day Secondary Service	\$ 90,332,427
Time-of-Day Primary Service	\$ 129,677,615
Retail Transmission Service	\$ 66,415,465
Fluctuating Load Service	\$ -
Lighting Energy Service	\$ 239,951
Traffic Energy Service	\$ 303,522
Lighting Service & Restricted Lighting Service	\$ 20,964,103
Curtable Service Riders	\$ (4,251,790)
Special Contracts	\$ 11,150,785
Electric Vehicle Charging	<u>\$ 50</u>
Sales to Ultimate Consumers	\$ 1,085,067,581
Other Operating Revenues:	
Late Payment Charge	\$ 2,780,542
Electric Service Revenues	\$ 1,238,716
Rent from Electric Property	\$ 3,864,395
Other Miscellaneous Revenue	<u>\$ 11,787,385</u>
TOTAL	<u><u>\$ 1,104,738,619</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Average Bill at Current Electric Rates
for the Twelve Months Ended February 28, 2017
Electric Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):

Schedule M-1.2-E
Page 1 of 1
Witness: W. S. SEELYE

Rate Class	Customer Months	kWh	Average Consumption, kWh	Annual Revenue at Current Rates	Average Current Bill
Residential Service Rate RS	4,328,004	4,134,111,148	955	\$ 432,942,722	\$ 100.01
Residential Time-of-Day Service Rate RTOD	394	464,271	1,178	\$ 44,927	\$ 113.99
Residential Service Rates RS & RTOD	4,328,398	4,134,575,419	955	\$ 432,987,649	\$ 100.01
General Service Rate GS	535,834	1,314,432,172	2,453	\$ 151,508,208	\$ 282.75
Power Service Secondary	34,553	1,872,172,362	54,183	\$ 173,929,403	\$ 5,033.73
Power Service Primary	873	143,981,466	164,927	\$ 11,810,193	\$ 13,528.27
Power Service Rate PS	35,426	2,016,153,828	56,912	\$ 185,739,596	\$ 5,243.06
Time-of-Day Secondary Service Rate TODS	4,513	1,105,362,242	244,928	\$ 90,332,427	\$ 20,016.01
Time of Day Primary Service Rate TODP	1,350	1,816,641,920	1,345,661	\$ 129,677,615	\$ 96,057.52
Retail Transmission Service Rate RTS	155	1,034,042,784	6,671,244	\$ 66,415,465	\$ 428,486.89
Fluctuating Load Service Rate FLS	-	-	-	\$ -	\$ -
Curtable Service Rider Rate CSR	30	-	-	\$ (4,251,790)	\$ -
Special Contracts	33	169,522,800	5,137,055	\$ 11,150,785	\$ 337,902.61
Lighting Energy Service Rate LE	2,002	3,331,038	1,664	\$ 239,951	\$ 119.87
Traffic Lighting Energy Service Rate TE	10,971	3,078,196	281	\$ 303,522	\$ 27.71
All Outdoor Lighting Service Rates LS & RLS	1,059,813	100,997,634	95	\$ 20,964,103	\$ 19.72
Electric Vehicle Charging Rate EVC	-	-	-	\$ 50	\$ -

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Summary of Base Electric Revenues
for the Twelve Months Ended February 28, 2017
Electric Operations

DATA: X_ BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL X_ UPDATED REVISED
WORK PAPER REFERENCE NO(S):

SCHEDULE M-1.3-E
Page 1 of 22
Witness: W. S. SEELYE

	(1)	(2)	(3)	(4)	(5)	(5.1)	(6)	(7)	(8)	
	Base Period	Adjustment to Remove Fuel Adjustment Clause	Adjustment to Remove DSM Billings	Adjustment to Remove ECR Billings	Adjustment to Remove Off-System Sales Adj Clause Billings	Adjustment to Remove Rent from Elec Property Billings	CSR Billings	Adjusted Base Period Revenues at Base Rates	Calculated Base Period Revenues at Base Rates	Calculated Divided by Actual
Residential Service - RS	\$ 432,942,722	\$ (7,875,603)	\$ 14,811,832	\$ 22,466,989	\$ (413,559)	\$ -	\$ -	\$ 403,953,063	\$ 403,953,063	1.0000000
Residential Time-of-Day Rate - RTOD	\$ 44,927	\$ (880)	\$ 1,664	\$ 2,314	\$ (47)	\$ -	\$ -	\$ 41,876	\$ 41,876	1.0000000
Total General Service	\$ 151,508,208	\$ (2,451,071)	\$ 1,607,448	\$ 9,135,485	\$ (135,273)	\$ -	\$ -	\$ 143,351,618	\$ 143,351,618	1.0000000
Power Service Rate										
Power Service Rate PS - Secondary	\$ 173,929,403	\$ (3,472,832)	\$ 1,392,543	\$ 9,731,294	\$ (192,296)	\$ 937	\$ -	\$ 166,469,758	\$ 166,469,758	1.0000000
Power Service Rate PS - Primary	\$ 11,810,193	\$ (262,189)	\$ 114,625	\$ 628,845	\$ (12,813)	\$ -	\$ -	\$ 11,341,724	\$ 11,341,724	1.0000000
Total Power Service	\$ 185,739,596	\$ (3,735,021)	\$ 1,507,168	\$ 10,360,139	\$ (205,109)	\$ 937	\$ -	\$ 177,811,482	\$ 177,811,482	1.0000000
Time of Day Secondary Service TODS	\$ 90,332,427	\$ (2,044,679)	\$ 72,106	\$ 4,831,888	\$ (116,634)	\$ -	\$ -	\$ 87,589,746	\$ 87,589,746	1.0000000
Time of Day Primary Service TODP	\$ 129,677,615	\$ (3,451,185)	\$ 57,893	\$ 6,512,370	\$ (174,706)	\$ -	\$ -	\$ 126,733,243	\$ 126,733,243	1.0000000
Retail Transmission Service -- RTS	\$ 66,415,465	\$ (2,001,079)	\$ -	\$ 3,167,766	\$ (74,490)	\$ -	\$ -	\$ 65,323,268	\$ 65,323,268	1.0000000
Fluctuating Load Service Rate FLS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1.0000000
Curtable Service Rider - RTS	\$ (4,052,070)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,052,070)	\$ -	\$ -	1.0000000
Curtable Service Rider - TODP	\$ (199,720)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (199,720)	\$ -	\$ -	1.0000000
Curtable Service Riders	\$ (4,251,790)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,251,790)	\$ -	\$ -	1.0000000
Special Contract -- Customer #1	\$ 8,009,525	\$ (243,151)	\$ -	\$ 386,449	\$ (7,360)	\$ -	\$ -	\$ 7,873,587	\$ 7,873,587	1.0000000
Special Contract -- Customer #2	\$ 3,141,260	\$ (96,794)	\$ -	\$ 144,698	\$ (2,990)	\$ -	\$ -	\$ 3,096,346	\$ 3,096,346	1.0000000
Lighting Energy -- LE	\$ 239,951	\$ (6,226)	\$ -	\$ 12,973	\$ (409)	\$ -	\$ -	\$ 233,613	\$ 233,613	1.0000000
Traffic Lighting Energy -- TE	\$ 303,522	\$ (5,631)	\$ -	\$ 16,096	\$ (350)	\$ -	\$ -	\$ 293,407	\$ 293,407	1.0000000
Lighting Service -- LS	\$ 11,498,561	\$ (114,050)	\$ -	\$ 606,980	\$ (7,495)	\$ -	\$ -	\$ 11,013,127	\$ 11,013,127	1.0000000
Restricted Lighting Service -- RLS	\$ 9,465,542	\$ (69,670)	\$ -	\$ 500,022	\$ (4,492)	\$ -	\$ -	\$ 9,039,682	\$ 9,039,682	1.0000000
All Outdoor Lighting -- LS & RLS	\$ 20,964,103	\$ (183,720)	\$ -	\$ 1,107,002	\$ (11,987)	\$ -	\$ -	\$ 20,052,809	\$ 20,052,809	1.0000000
Electric Vehicle Charging -- EVC	\$ 50	\$ -	\$ -	\$ 1	\$ -	\$ 43	\$ -	\$ 6	\$ 6	1.0000000
TOTAL ULTIMATE CONSUMERS	<u>\$ 1,085,067,581</u>	<u>\$ (22,095,040)</u>	<u>\$ 18,058,111</u>	<u>\$ 58,144,170</u>	<u>\$ (1,142,914)</u>	<u>\$ 980</u>	<u>\$ (4,251,790)</u>	<u>\$ 1,036,354,064</u>	<u>\$ 1,036,354,064</u>	1.0000000

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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department				
Customers (with Basic Service Charge)	4,328,004		\$ 10.75	\$ 46,526,043
Partial month and corrected billings				\$ (241,190)
Energy		4,134,111,148	\$ 0.08639	\$ 357,145,862
Partial month and corrected billings				\$ 522,348
Total Calculated at Base Rates	<u>4,328,004</u>	<u>4,134,111,148</u>		\$ 403,953,063
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 403,953,063
Revenue Adjustments:				
FAC Mechanism Revenue				\$ (7,875,603)
DSM Mechanism Revenue				\$ 14,811,832
ECR Mechanism Revenue				\$ 22,466,989
OSS Mechanism Revenue				<u>\$ (413,559)</u>
Total Revenue Adjustments				\$ 28,989,659
Total Base Period Adjusted Revenues				<u>\$ 432,942,722</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
RESIDENTIAL RATE RTOD, Residential Time-of-Day Demand and Residential Time-of-Day Energy					
Customers	394			\$ 10.75	\$ 4,236
Partial month and corrected billings					\$ (81)
Energy					
Energy used, (RTOD-Demand only)			-	\$ 0.04565	\$ -
Energy used, Off-Peak (RTOD-Energy only)			410,179	\$ 0.06128	\$ 25,137
Energy used, Peak (RTOD-Energy only)			54,092	\$ 0.23263	\$ 12,584
Partial month and corrected billings					\$ -
Demand					
Peak Demand		-		\$ 12.38	\$ -
Off-Peak Demand		-		\$ 3.25	\$ -
Partial month and corrected billings					\$ -
Total Calculated at Base Rates	<u>394</u>	<u>-</u>	<u>464,271</u>		\$ 41,876
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 41,876
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (880)
DSM Mechanism Revenue					\$ 1,664
ECR Mechanism Revenue					\$ 2,314
OSS Mechanism Revenue					\$ (47)
Total Revenue Adjustments					\$ 3,051
Total Base Period Adjusted Revenues					<u>\$ 44,927</u>

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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
GENERAL SERVICE RATE GS				
Single Phase				
Customers (with Basic Service Charge)	342,300		\$ 25.00	\$ 8,557,500
Partial month and corrected billings				\$ (33,970)
Energy		377,459,685	\$ 0.09650	\$ 36,424,860
Partial month and corrected billings				\$ 62,035
Three Phase				
Customers (with Basic Service Charge)	193,534		\$ 40.00	\$ 7,741,360
Partial month and corrected billings				\$ (97,811)
Energy		936,972,487	\$ 0.09650	\$ 90,417,846
Partial month and corrected billings				\$ 279,799
Total Calculated at Base Rates	<u>535,834</u>	<u>1,314,432,172</u>		\$ 143,351,619
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 143,351,619
Revenue Adjustments:				
FAC Mechanism Revenue				\$ (2,451,071)
DSM Mechanism Revenue				\$ 1,607,448
ECR Mechanism Revenue				\$ 9,135,485
OSS Mechanism Revenue				<u>\$ (135,273)</u>
Total Revenue Adjustments				\$ 8,156,589
Total Base Period Adjusted Revenues				<u>\$ 151,508,208</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
POWER SERVICE RATE PS-Secondary					
Customers	34,553			\$ 90.00	\$ 3,109,770
Partial month and corrected billings					\$ (17,737)
Energy			1,872,172,362	\$ 0.04071	\$ 76,216,136
Partial month and corrected billings					\$ 309,577
Demand					
Summer Demand, kW		2,182,015		\$ 18.40	\$ 40,149,074
Summer Minimum Demand		43,075		\$ 18.40	\$ 792,573
Winter Demand, kW		2,737,266		\$ 15.99	\$ 43,768,880
Winter Minimum Demand		87,996		\$ 15.99	\$ 1,407,058
Partial month and corrected billings					\$ (159,753)
Power Factor Adjustment					\$ 892,806
Redundant Capacity Rider Revenue (not included in Total Demand)		960		\$ 1.43	\$ 1,373
Total Calculated at Base Rates	<u>34,553</u>	<u>5,051,312</u>	<u>1,872,172,362</u>		\$ 166,469,757
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 166,469,757
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (3,472,832)
DSM Mechanism Revenue					\$ 1,392,543
ECR Mechanism Revenue					\$ 9,731,294
OSS Mechanism Revenue					\$ (192,296)
Rent from Electric Property					\$ 937
Total Revenue Adjustments					\$ 7,459,646
Total Base Period Adjusted Revenues					\$ <u>173,929,403</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
POWER SERVICE RATE PS-Primary					
Customers	873			\$ 200.00	\$ 174,600
Partial month and corrected billings					\$ (3,106)
Energy			143,981,466	\$ 0.03925	\$ 5,651,273
Partial month and corrected billings					\$ (17,827)
Demand					
Summer Demand, kW		152,852		\$ 15.92	\$ 2,433,405
Summer Minimum Demand		10,282		\$ 15.92	\$ 163,688
Winter Demand, kW		185,023		\$ 13.63	\$ 2,521,858
Winter Minimum Demand		20,973		\$ 13.63	\$ 285,857
Partial month and corrected billings					\$ 192
Power Factor Adjustment					\$ 131,785
Total Calculated at Base Rates	<u>873</u>	<u>369,129</u>	<u>143,981,466</u>		\$ 11,341,725
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 11,341,725
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (262,189)
DSM Mechanism Revenue					\$ 114,625
ECR Mechanism Revenue					\$ 628,845
OSS Mechanism Revenue					\$ (12,813)
Total Revenue Adjustments					\$ 468,468
Total Base Period Adjusted Revenues					\$ <u>11,810,193</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
TIME OF DAY SECONDARY SERVICE RATE TODS					
Customers	4,513			\$ 200.00	\$ 902,600
Partial month and corrected billings					\$ (2,795)
Energy			1,105,362,242	\$ 0.04049	\$ 44,756,117
Partial month and corrected billings					\$ 78,284
Demand					
Demand kW Base		2,446,859		\$ 4.60	\$ 11,255,552
Minimum Demand Base		240,508		\$ 4.60	\$ 1,106,336
Demand kW Intermediate		2,415,813		\$ 5.10	\$ 12,320,645
Minimum Demand Intermediate		18,255		\$ 5.10	\$ 93,099
Demand kW Peak		2,352,223		\$ 6.74	\$ 15,853,980
Minimum Demand Peak		20,476		\$ 6.74	\$ 138,007
Partial month and corrected billings					\$ 7,562
Power Factor Revenue Adjustment					\$ 1,054,619
Redundant Capacity Rider Revenue (not included in Total Demand)		18,000		\$ 1.43	\$ 25,740
Total Calculated at Base Rates	<u>4,513</u>	<u>7,512,133</u>	<u>1,105,362,242</u>		\$ 87,589,746
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 87,589,746
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (2,044,679)
DSM Mechanism Revenue					\$ 72,106
ECR Mechanism Revenue					\$ 4,831,888
OSS Mechanism Revenue					\$ (116,634)
Total Revenue Adjustments					\$ 2,742,681
Total Base Period Adjusted Revenues					\$ 90,332,427

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	Customer Months	kVA	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
TIME OF DAY PRIMARY SERVICE RATE TODP					
Customers	1,350			\$ 300.00	\$ 405,000
Partial month and corrected billings					\$ (1,990)
Energy			1,816,641,920	\$ 0.03824	\$ 69,468,387
Partial month and corrected billings					\$ 1,914,447
Demand					
Demand kVA Base		4,291,911		\$ 3.75	\$ 16,094,667
Minimum Demand Base		165,741		\$ 3.75	\$ 621,527
Demand kVA Intermediate		4,196,081		\$ 3.91	\$ 16,406,677
Minimum Demand Intermediate		22,294		\$ 3.91	\$ 87,169
Demand kVA Peak		4,101,921		\$ 5.26	\$ 21,576,105
Minimum Demand Peak		26,652		\$ 5.26	\$ 140,191
Partial month and corrected billings					\$ (15,195)
Redundant Capacity Rider Revenue (not included in Total Demand)		28,776		\$ 1.26	\$ 36,258
Total Calculated at Base Rates	<u>1,350</u>	<u>12,833,376</u>	<u>1,816,641,920</u>		\$ 126,733,243
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 126,733,243
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (3,451,185)
DSM Mechanism Revenue					\$ 57,893
ECR Mechanism Revenue					\$ 6,512,370
OSS Mechanism Revenue					\$ (174,706)
Total Revenue Adjustments					\$ 2,944,372
Total Base Period Adjusted Revenues					\$ 129,677,615

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	Customer Months	kVA	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
RETAIL TRANSMISSION SERVICE RATE RTS					
Customers	155			\$ 1,000.00	\$ 155,000
Partial month and corrected billings					\$ 1,000
Energy			1,034,042,784	\$ 0.03711	\$ 38,373,328
Partial month and corrected billings					\$ 2,385,164
Demand					
Demand kVA Base		2,107,941		\$ 3.05	\$ 6,429,219
Minimum Demand Base		162,865		\$ 3.05	\$ 496,738
Demand kVA Intermediate		2,092,275		\$ 3.30	\$ 6,904,507
Minimum Demand Intermediate		81,627		\$ 3.30	\$ 269,370
Demand kVA Peak		2,069,779		\$ 4.85	\$ 10,038,428
Minimum Demand Peak		55,776		\$ 4.85	\$ 270,513
Partial month and corrected billings					\$ 1
Total Calculated at Base Rates	<u>155</u>	<u>6,570,263</u>	<u>1,034,042,784</u>		\$ 65,323,268
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 65,323,268
Revenue Adjustments:					
FAC Mechanism Revenue					\$ (2,001,079)
DSM Mechanism Revenue					\$ -
ECR Mechanism Revenue					\$ 3,167,766
OSS Mechanism Revenue					\$ (74,490)
Total Revenue Adjustments					\$ 1,092,197
Total Base Period Adjusted Revenues					\$ 66,415,465

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	Customer Months	kVA	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
FLUCTUATING LOAD SERVICE RATE FLS					
Primary Delivery					
Customers	-			\$ 1,000.00	\$ -
Partial month and corrected billings				\$	-
Energy			-	\$ 0.03612	\$ -
Partial month and corrected billings				\$	-
Demand					
Demand kVA Base		-		\$ 2.37	\$ -
Minimum Demand Base		-		\$ 2.37	\$ -
Demand kVA Intermediate		-		\$ 2.37	\$ -
Minimum Demand Intermediate		-		\$ 2.37	\$ -
Demand kVA Peak		-		\$ 3.42	\$ -
Minimum Demand Peak		-		\$ 3.42	\$ -
Partial month and corrected billings				\$	-
Transmission Delivery					
Customers	-			\$ 1,000.00	\$ -
Partial month and corrected billings				\$	-
Energy			-	\$ 0.03612	\$ -
Partial month and corrected billings				\$	-
Demand					
Demand kVA Base		-		\$ 1.62	\$ -
Minimum Demand Base		-		\$ 1.62	\$ -
Demand kVA Intermediate		-		\$ 2.37	\$ -
Minimum Demand Intermediate		-		\$ 2.37	\$ -
Demand kVA Peak		-		\$ 3.42	\$ -
Minimum Demand Peak		-		\$ 3.42	\$ -
Partial month and corrected billings				\$	-
Total Calculated at Base Rates	-	-	-	\$	-
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor				\$	-
Revenue Adjustments:					
FAC Mechanism Revenue				\$	-
DSM Mechanism Revenue				\$	-
ECR Mechanism Revenue				\$	-
OSS Mechanism Revenue				\$	-
Total Revenue Adjustments				\$	-
Total Base Period Adjusted Revenues				<u>\$</u>	-

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	kVA of Curtable Demand	Present Rates Unit Charges	Calculated Revenue at Present Rates
CURTAILABLE SERVICE RIDERS			
Transmission Voltage Service	633,136	\$ (6.40)	\$ (4,052,070)
Primary Voltage Service	30,726	\$ (6.50)	\$ (199,720)
Non-Compliance Charge	-	\$ 16.00	-
Total Calculated at Base Rates	<u>663,862</u>		\$ (4,251,790)
Correction Factor			<u>1.000000000</u>
Total After Application of Correction Factor			\$ (4,251,790)
Total Base Period Revenues			\$ <u>(4,251,790)</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
SPECIAL CONTRACT #1					
Customers	11			\$ -	\$ -
Partial month and corrected billings				\$	-
Energy			119,100,000	\$ 0.03910	\$ 4,656,809
Partial month and corrected billings				\$	421,381
Demand					
Summer Demand, kW		95,532		\$ 15.59	\$ 1,489,344
Summer Minimum Demand		-		\$ 15.59	\$ -
Winter Demand, kW		115,282		\$ 13.27	\$ 1,529,787
Winter Minimum Demand		-		\$ 13.27	\$ -
Partial month and corrected billings				\$	(32,144)
Power Factor Revenue Adjustment				\$	(191,590)
Total Calculated at Base Rates	<u>11</u>	<u>210,814</u>	<u>119,100,000</u>		\$ 7,873,587
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 7,873,587
Revenue Adjustments:					
FAC Mechanism Revenue				\$	(243,151)
DSM Mechanism Revenue				\$	-
ECR Mechanism Revenue				\$	386,449
OSS Mechanism Revenue				\$	<u>(7,360)</u>
Total Revenue Adjustments				\$	135,938
Total Base Period Adjusted Revenues					<u>\$ 8,009,525</u>

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	Customer Months	kW	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
SPECIAL CONTRACT #2					
Customers	22			\$ -	\$ -
Partial month and corrected billings				\$	\$ -
Energy			50,422,800	\$ 0.03872	\$ 1,952,371
Partial month and corrected billings				\$	\$ -
Demand					
Demand, kW		97,541		\$ 11.10	\$ 1,082,703
Minimum Demand		5,520		\$ 11.10	\$ 61,272
Partial month and corrected billings				\$	\$ -
Power Factor Revenue Adjustment				\$	\$ -
Total Calculated at Base Rates	<u>22</u>	<u>103,061</u>	<u>50,422,800</u>		\$ 3,096,346
Correction Factor					<u>1.000000000</u>
Total After Application of Correction Factor					\$ 3,096,346
Revenue Adjustments:					
FAC Mechanism Revenue				\$	\$ (96,794)
DSM Mechanism Revenue				\$	\$ -
ECR Mechanism Revenue				\$	\$ 144,698
OSS Mechanism Revenue				\$	\$ (2,990)
Total Revenue Adjustments				\$	\$ 44,914
Total Base Period Adjusted Revenues					\$ <u>3,141,260</u>

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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
LIGHTING ENERGY SERVICE RATE LE				
Customers	2,002		\$ -	\$ -
Partial month and prorated billings			\$	-
Energy		3,331,038	\$ 0.06934	\$ 230,974
Partial month and prorated billings			\$	2,639
Total Calculated at Base Rates	<u>2,002</u>	<u>3,331,038</u>		\$ 233,613
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 233,613
Revenue Adjustments:				
FAC Mechanism Revenue			\$	(6,226)
DSM Mechanism Revenue			\$	-
ECR Mechanism Revenue			\$	12,973
OSS Mechanism Revenue			\$	<u>(409)</u>
Total Revenue Adjustments			\$	6,338
Total Base Period Adjusted Revenues			\$	<u>239,951</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending February 28, 2017
Electric Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
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	Customer Months	Total kWh	Present Rates Unit Charges	Calculated Revenue at Present Rates
TRAFFIC ENERGY SERVICE RATE TE				
Customers	10,971		\$ 4.00	\$ 43,884
Partial month and corrected billings				\$ 6,267
Energy		3,078,196	\$ 0.07871	\$ 242,285
Partial month and corrected billings				\$ 971
Total Calculated at Base Rates	<u>10,971</u>	<u>3,078,196</u>		\$ 293,407
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 293,407
Revenue Adjustments:				
FAC Mechanism Revenue				\$ (5,631)
DSM Mechanism Revenue				\$ -
ECR Mechanism Revenue				\$ 16,096
OSS Mechanism Revenue				<u>\$ (350)</u>
Total Revenue Adjustments				\$ 10,115
Total Base Period Adjusted Revenues				<u>\$ 303,522</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
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Detailed Calculation of Base Period Electric Revenues
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	Calculated Revenue at Present Rates
<hr/>	
ELECTRIC VEHICLE CHARGING RATE EVC	
Energy Portion of Charging Unit Fee Per Hour	\$ 6
Total Calculated at Base Rates	\$ 6
Correction Factor	<u>1.000000000</u>
Total After Application of Correction Factor	\$ 6
Revenue Adjustments:	
FAC Mechanism Revenue	\$ -
DSM Mechanism Revenue	\$ -
ECR Mechanism Revenue	\$ 1
OSS Mechanism Revenue	\$ -
Rent from Electric Property	<u>\$ 43</u>
Total Revenue Adjustments	\$ 44
Total Base Period Adjusted Revenues	<u>\$ 50</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Detailed Calculation of Base Period Electric Revenues
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Electric Operations

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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
LIGHTING SERVICE, Sheet No. 35				
High Pressure Sodium				
Cobra Head, 16000 Lumen, Fixture Only	LGUM_452	81,927	\$ 13.78	\$ 1,128,954
Cobra Head, 28500 Lumen, Fixture Only	LGUM_453	124,363	\$ 16.17	\$ 2,010,950
Cobra Head, 50000 Lumen, Fixture Only	LGUM_454	65,902	\$ 18.61	\$ 1,226,436
Directional, 16000 Lumen, Fixture Only	LGUM_455	4,902	\$ 14.73	\$ 72,206
Directional, 50000 Lumen, Fixture Only	LGUM_456	154,896	\$ 19.44	\$ 3,011,178
Open Bottom, 9500 Lumen, Fixture Only	LGUM_457	43,260	\$ 11.93	\$ 516,092
Metal Halide				
Directional, 12000 Lumen, Fixture Only	LGUM_470	526	\$ 13.81	\$ 7,264
Directional, 32000 Lumen, Fixture Only	LGUM_473	9,131	\$ 19.89	\$ 181,616
Directional, 107800 Lumen, Fixture Only	LGUM_476	7,111	\$ 42.04	\$ 298,946

LOUISVILLE GAS AND ELECTRIC COMPANY
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Detailed Calculation of Base Period Electric Revenues
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Electric Operations

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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
LIGHTING SERVICE, Sheet No. 35.1				
High Pressure Sodium				
Colonial, 4-Sided, 5800 Lumen, Smooth Pole	LGUM_412	2,656	\$ 20.82	\$ 55,298
Colonial, 4-Sided, 9500 Lumen, Smooth Pole	LGUM_413	32,544	\$ 21.56	\$ 701,648
Colonial, 4-Sided, 16000 Lumen, Smooth Pole	LGUM_444	207	\$ 21.69	\$ 4,490
Acorn, 5800 Lumen, Smooth Pole	LGUM_415	644	\$ 21.21	\$ 13,659
Acorn, 9500 Lumen, Smooth Pole	LGUM_416	24,478	\$ 23.63	\$ 578,414
Acorn, 16000 Lumen, Smooth Pole	LGUM_445	228	\$ 23.63	\$ 5,388
London 5800 Lumen, Fluted Pole	LGUM_427	648	\$ 36.24	\$ 23,484
London, 9500 Lumen, Fluted Pole	LGUM_429	3,273	\$ 37.15	\$ 121,592
Victorian, 5800 Lumen, Fluted Pole	LGUM_431	642	\$ 33.97	\$ 21,809
Victorian, 9500 Lumen, Fluted Pole	LGUM_433	2,857	\$ 36.07	\$ 103,052
Dark Sky, 4000 Lumen, Smooth Pole	LGUM_400	662	\$ 25.33	\$ 16,768
Dark Sky, 9500 Lumen, Smooth Pole	LGUM_401	347	\$ 25.98	\$ 9,015
Victorian/London Bases	LE_956Base	4,268	\$ 3.56	\$ 15,194
Cobra Head, 16000 Lumen, Smooth Pole	LGUM_423	249	\$ 27.32	\$ 6,803
Cobra Head, 28500 Lumen, Smooth Pole	LGUM_424	7,517	\$ 29.55	\$ 222,127
Cobra Head, 50000 Lumen, Smooth Pole	LGUM_425	474	\$ 35.27	\$ 16,718

LOUISVILLE GAS AND ELECTRIC COMPANY
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Electric Operations

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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
LIGHTING SERVICE, Sheet No. 35.2				
High Pressure Sodium				
Contemporary Fixture only, 16000 Lumen	LGUM_439	-	\$ 17.42	\$ -
Contemporary Fixture with Pole, 16000 Lumen	LGUM_420	742	\$ 30.86	\$ 22,898
Contemporary Fixture only, 28500 Lumen	LGUM_440	303	\$ 19.37	\$ 5,869
Contemporary Fixture with Pole, 28500 Lumen	LGUM_421	2,618	\$ 33.96	\$ 88,907
Contemporary Fixture only, 50000 Lumen	LGUM_441	619	\$ 23.55	\$ 14,578
Contemporary Fixture with Pole, 50000 Lumen	LGUM_422	5,368	\$ 39.63	\$ 212,734
Metal Halide				
Contemporary Fixture only, 12000 Lumen	LGUM_479	-	\$ 15.08	\$ -
Contemporary Fixture with Pole, 12000 Lumen	LGUM_480	264	\$ 24.85	\$ 6,561
Contemporary Fixture only, 32000 Lumen	LGUM_481	124	\$ 21.67	\$ 2,687
Contemporary Fixture with Pole, 32000 Lumen	LGUM_482	1,336	\$ 31.43	\$ 41,991
Contemporary Fixture only, 107800 Lumen	LGUM_483	76	\$ 45.01	\$ 3,421
Contemporary Fixture with Pole, 107800 Lumen	LGUM_484	800	\$ 54.76	\$ 43,808
Existing Poles/Bases Billed Under Corresponding RLS Rates:				
Wood Pole installed before 7/1/2004 (RLS Sheet No. 36.1)	LE_900Pole	61,857	\$ 2.06	\$ 127,425
Wood Pole installed before 3/1/2010 (RLS Sheet No. 36.1)	LE_958Pole	4,773	\$ 11.32	\$ 54,030
10' Smooth Pole (RLS Sheet No. 36.2)	LE_901Pole	-	\$ 10.82	\$ -
10' Fluted Pole (RLS Sheet No. 36.2)	LE_902Pole	36	\$ 12.91	\$ 465
Old Town Bases (RLS Sheet No. 36.2)	LE_950Base	300	\$ 3.47	\$ 1,041
Chesapeake Bases (RLS Sheet No. 36.2)	LE_951Base	1,191	\$ 3.73	\$ 4,442
Partial month billings and billing corrections				\$ 13,168
Total Lighting Service Calculated at Base Rates		<u>581,694</u>		\$ 11,013,126
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 11,013,126
Revenue Adjustments:				
FAC Mechanism Revenue				\$ (114,050)
ECR Mechanism Revenue				\$ 606,980
OSS Mechanism Revenue				\$ (7,495)
Total Revenue Adjustments				\$ 485,435
Total LS Base Period Adjusted Revenues				<u>\$ 11,498,561</u>

LOUISVILLE GAS AND ELECTRIC COMPANY
Case No. 2016-00371
Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending February 28, 2017
Electric Operations

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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
RESTRICTED LIGHTING SERVICE, Sheet No. 36				
Mercury Vapor				
Cobra/Open Bottom, 8000 Lumen, Fixture Only	LGUM_252	42,411	\$ 10.25	\$ 434,713
Cobra Head, 13000 Lumen, Fixture Only	LGUM_203	36,963	\$ 11.69	\$ 432,097
Cobra Head, 25000 Lumen, Fixture Only	LGUM_204	38,033	\$ 14.41	\$ 548,056
Cobra Head, 60000 Lumen, Fixture Only	LGUM_209	358	\$ 29.46	\$ 10,547
Directional, 25000 Lumen, Fixture Only	LGUM_207	7,896	\$ 16.44	\$ 129,810
Directional, 60000 Lumen, Fixture Only	LGUM_210	3,564	\$ 30.66	\$ 109,272
Open Bottom, 4000 Lumen, Fixture Only	LGUM_201	870	\$ 8.77	\$ 7,630
Metal Halide				
Directional, 12000 Lumen, Fixture and Wood Pole	LGUM_471	96	\$ 16.09	\$ 1,545
Directional, 32000 Lumen, Fixture and Wood Pole	LGUM_474	566	\$ 22.18	\$ 12,554
Directional, 32000 Lumen, Fixture and Metal Pole	LGUM_475	24	\$ 29.64	\$ 711
Directional, 107800 Lumen, Fixture and Wood Pole	LGUM_477	721	\$ 45.23	\$ 32,611

LOUISVILLE GAS AND ELECTRIC COMPANY
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Detailed Calculation of Base Period Electric Revenues
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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
RESTRICTED LIGHTING SERVICE, Sheet No. 36.1				
Wood Pole				
Wood Pole Installed before 3/1/2010	LE_958Pole	402	\$ 11.32	\$ 4,551
Wood Pole Installed before 7/1/2004	LE_900Pole	17,494	\$ 2.06	\$ 36,038
High Pressure Sodium				
Cobra/Contemporary, 16000 Lumen, Fixture and Decorative Smooth Pole	LGUM_275	5,771	\$ 25.86	\$ 149,238
Cobra/Contemporary, 28500 Lumen, Fixture and Decorative Smooth Pole	LGUM_266	24,591	\$ 28.44	\$ 699,368
Cobra/Contemporary, 50000 Lumen, Fixture and Decorative Smooth Pole	LGUM_267	27,145	\$ 32.64	\$ 886,013
Coach Acorn, 5800 Lumen, Fixture and Decorative Smooth Pole	LGUM_276	16,413	\$ 15.20	\$ 249,478
Coach Acorn, 9500 Lumen, Fixture and Decorative Smooth Pole	LGUM_274	203,590	\$ 18.26	\$ 3,717,553
Coach Acorn, 16000 Lumen, Fixture and Decorative Smooth Pole	LGUM_277	28,038	\$ 23.11	\$ 647,958
Contemporary, 120000 Lumen, Fixture Only	LGUM_279	80	\$ 45.11	\$ 3,609
Contemporary, 120000 Lumen, Fixture and Decorative Smooth Pole	LGUM_278	128	\$ 76.24	\$ 9,759
Acorn, 9500 Lumen, Bronze Decorative Pole	LGUM_417	586	\$ 24.75	\$ 14,503
Acorn, 16000 Lumen, Bronze Decorative Pole	LGUM_419	1,432	\$ 26.30	\$ 37,662
Victorian, 5800 Lumen, Fixture Only	LGUM_280	552	\$ 20.41	\$ 11,266
Victorian, 9500 Lumen, Fixture Only	LGUM_281	2,890	\$ 21.42	\$ 61,904
London, 5800 Lumen, Fixture Only	LGUM_282	1,272	\$ 20.56	\$ 26,152
London, 9500 Lumen, Fixture Only	LGUM_283	1,188	\$ 21.89	\$ 26,005

LOUISVILLE GAS AND ELECTRIC COMPANY
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Detailed Calculation of Base Period Electric Revenues
for the Twelve Months Ending February 28, 2017
Electric Operations

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	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates
RESTRICTED LIGHTING SERVICE, Sheet 36.2				
High Pressure Sodium				
London, 5800 Lumen, Fixture and Pole	LGUM_426	408	\$ 34.26	\$ 13,978
London, 9500 Lumen, Fixture and Pole	LGUM_428	3,585	\$ 35.17	\$ 126,084
Victorian, 5800 Lumen, Fixture and Pole	LGUM_430	156	\$ 33.30	\$ 5,195
Victorian, 9500 Lumen, Fixture and Pole	LGUM_432	120	\$ 35.41	\$ 4,249
Victorian/London Bases				
Old Town	LE_950Base	651	\$ 3.47	\$ 2,259
Chesapeake	LE_951Base	2,335	\$ 3.73	\$ 8,710
Victorian/London Bases (LS Sheet No. 35.1)	LE_956Base	2,888	\$ 3.56	\$ 10,281
Poles				
Smooth 10' Pole	LE_901Pole	1,863	\$ 10.82	\$ 20,158
Fluted 10' Pole	LE_902Pole	3,314	\$ 12.91	\$ 42,784
Mercury Vapor				
Cobra Head, 8000 Lumen, Fixture with Pole	LGUM_318	567	\$ 18.09	\$ 10,257
Cobra Head, 13000 Lumen, Fixture with Pole	LGUM_314	5,283	\$ 19.93	\$ 105,290
Cobra Head, 25000 Lumen, Fixture with Pole	LGUM_315	5,348	\$ 23.85	\$ 127,550
Cobra Head, 25000 Lumen, State of Ky Pole	LGUM_347	-	\$ 23.84	\$ -
Coach, 4000 Lumen, Fixture with Pole	LGUM_206	866	\$ 13.08	\$ 11,327
Coach, 8000 Lumen, Fixture with Pole	LGUM_208	15,936	\$ 14.91	\$ 237,606
Incandescent				
Continental Jr., 1500 Lumen, Fixture and Decorative Smooth Pole	LGUM_349	204	\$ 9.57	\$ 1,952
Continental Jr., 6000 Lumen, Fixture and Decorative Smooth Pole	LGUM_348	468	\$ 13.93	\$ 6,519
Partial month billings and billing corrections				\$ 4,880
Total Restricted Lighting Service Calculated at Base Rates		<u>478,119</u>		\$ 9,039,682
Correction Factor				<u>1.000000000</u>
Total After Application of Correction Factor				\$ 9,039,682
Revenue Adjustments:				
FAC Mechanism Revenue				\$ (69,670)
ECR Mechanism Revenue				\$ 500,022
OSS Mechanism Revenue				\$ (4,492)
Total Revenue Adjustments				\$ 425,860
Total RLS Base Period Adjusted Revenues				<u>\$ 9,465,542</u>
Total LS and RLS Base Period Adjusted Revenues				<u>\$ 20,964,103</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Base Period Revenues at Current Gas Rates
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
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Witness: W. S. SEELYE

Rate Class	Total Revenue at Present Rates
Residential Gas Service (RGS)	\$ 185,798,931
Commercial Gas Service (CGS)	\$ 77,470,568
Industrial Gas Service (IGS)	\$ 9,783,636
As Available Gas Service (AAGS)	\$ 1,086,622
Firm Transportation (FT)	\$ 5,695,590
Special Contract Intra-Company Sales	\$ 4,690,080
Distributed Generation Gas Service (DGGS)	\$ 7,052
SUBTOTAL	\$ 284,532,479
Other Operating Revenues:	
Forfeited Discounts	\$ 1,032,412
Miscellaneous Service Revenue	\$ 81,954
Rent from Gas Property	\$ 380,951
Other Gas Revenue	\$ 630
TOTAL	\$ 286,028,425

Louisville Gas and Electric Company
Case No. 2016-00371
Average Bill Comparison at Current Gas Rates
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
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	Customer Months	Billed Mcf	Average Consumption Mcf	Annual Revenue at Current Rates	Average Current Bill
Residential Gas Service (RGS)	3,549,844	16,461,707	4.6	\$ 185,798,931	\$ 52.34
Commercial Gas Service (CGS)	307,648	8,872,543	28.8	\$ 77,470,568	\$ 251.82
Industrial Gas Service (IGS)	2,819	1,642,622	582.7	\$ 9,783,636	\$ 3,470.61
As Available Gas Service (AAGS)	73	327,416	4,485.2	\$ 1,086,622	\$ 14,885.23
Firm Transportation (FT)	883	11,857,440	13,428.6	\$ 5,695,590	\$ 6,450.27
Special Contract Intra-Company Sales	20	1,374,804	68,740.2	\$ 4,690,080	\$ 234,504.01
Distributed Generation Gas Service (DGGS)	12	8	0.7	\$ 7,052	\$ 587.63

Louisville Gas and Electric Company
Case No. 2016-00371
Summary of Base Gas Revenue
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
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WITNESS: W. S. SEELYE

Rate Class	Base Rate Revenue	GLT Revenue	GSC Revenue	WNA Revenue	DSM Revenue	Total Current Revenue
Residential Gas Service - Rate RGS	\$ 95,368,680	\$ 18,140,870	\$ 62,990,081	\$ 7,397,160	\$ 1,902,140	\$ 185,798,931
Commercial Gas Service - Rate CGS	\$ 32,900,512	\$ 8,184,713	\$ 33,782,207	\$ 2,549,952	\$ 53,183	\$ 77,470,568
Industrial Gas Service - Rate IGS	\$ 4,145,832	\$ 739,439	\$ 4,898,365	\$ -	\$ -	\$ 9,783,636
Distributed Generation Gas Service	\$ 7,022	\$ -	\$ 30	\$ -	\$ -	\$ 7,052
As-Available Gas Service - Rate AAGS	\$ 273,108	\$ 206,239	\$ 606,982	\$ -	\$ 293	\$ 1,086,622
Firm Transportation Service (Non-Standby) Rate FT	\$ 5,660,636	\$ -	\$ 31,573	\$ -	\$ 3,381	\$ 5,695,590
Special Contract - Intra-Company Sales	\$ 3,332,850	\$ 3,134	\$ 1,354,096	\$ -	\$ -	\$ 4,690,080
Subtotal Sales to Ultimate Consumers and Inter-Company	\$ 141,688,641	\$ 27,274,395	\$ 103,663,334	\$ 9,947,112	\$ 1,958,997	\$ 284,532,479
LPC	\$ 1,032,412					\$ 1,032,412
Miscellaneous Revenue	\$ 463,534					\$ 463,534
Total Sales to Ultimate Consumers and Inter-Company	\$ 143,184,587	\$ 27,274,395	\$ 103,663,334	\$ 9,947,112	\$ 1,958,997	\$ 286,028,425

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
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Rate Class	Customers	MCF	Present Rates	Calculated Revenue @ Present Rates
RATE RGS:				
Residential Gas Service Rate RGS				
Customers for the 12-Month Period	3,549,844		\$ 13.50	\$ 47,922,894
Distribution Cost Component (MCF)		16,461,707	\$ 2.8693	\$ 47,233,575
Billing Adjustments				\$ 212,130
Subtotal				\$ 95,368,599
Correction Factor			0.999999	
Subtotal after application of Correction Factor				\$ 95,368,680
Gas Line Tracker				\$ 18,140,870
Gas Supply Clause				\$ 62,990,081
Demand-Side Management				\$ 1,902,140
Weather Normalization Adjustment				\$ 7,397,160
Total Rate RGS				<u>\$ 185,798,931</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
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30 Year Normalized with Adjustments

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Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
RATE CGS:					
Firm Commercial Gas Service Rate CGS					
Customers for the 12-Month Period					
Basic Service Charge (meters < 5000 cfh)	294,310			\$ 40.00	\$ 11,772,400
Basic Service Charge (meters 5000 cfh or >)	13,338			\$ 180.00	\$ 2,400,840
Distribution Cost Component					
On Peak Mcf		7,991,139		\$ 2.1504	\$ 17,184,145
Off Peak Mcf			881,404	\$ 1.6504	\$ 1,454,669
Billing Adjustments					\$ 88,458
Subtotal					\$ 32,900,512
Gas Transportation Service/Firm Balancing Service Rider to Rate CGS					
Administrative Charges	0			\$ 550.00	\$ -
Distribution Cost Component					
On Peak Mcf		0		\$ 2.1504	\$ -
Off Peak Mcf			0	\$ 1.6504	\$ -
Subtotal					\$ 32,900,512
Correction Factor				1.000000	
Subtotal after application of Correction Factor					\$ 32,900,512
Gas Line Tracker					\$ 8,184,713
Gas Supply Clause					\$ 33,782,207
Demand-Side Management					\$ 53,183
Weather Normalization Adjustment					\$ 2,549,952
Total Rate CGS					\$ 77,470,568

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
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Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
RATE IGS:					
Firm Industrial Gas Service Rate IGS					
Customers for the 12-Month Period					
Basic Service Charge (meters < 5000 cfh)	1,408			\$ 40.00	\$ 56,320
Basic Service Charge (meters 5000 cfh or >)	1,411			\$ 180.00	\$ 253,980
Distribution Cost Component					
On Peak Mcf		717,414		\$ 2.2779	\$ 1,634,197
Off Peak Mcf			477,351	\$ 1.7779	\$ 848,683
Billing Adjustments					\$ 12,765
Subtotal					\$ 2,805,945
Correction Factor				1.000000	
Subtotal after application of Correction Factor					\$ 2,805,945
Gas Transportation Service/Firm Balancing Service Rider to Rate IGS					
Administrative Charges	60			\$ 550.00	\$ 33,000
Basic Service Charge (meters 5000 cfh or >)	60			\$ 180.00	\$ 10,800
Distribution Cost Component					
On Peak Mcf		143,882		\$ 2.2779	\$ 327,748
Off Peak Mcf			303,976	\$ 1.7779	\$ 540,439
Bill Adjustments					\$ 988
Cashout Revenue					\$ 432,394
Subtotal					\$ 1,345,369
Correction Factor				1.008834	
Subtotal Rate IGS after application of Correction Factor					\$ 1,333,588
Gas Line Tracker					\$ 739,439
Gas Supply Clause					\$ 4,898,365
Total Industrial Gas Service Rate IGS					\$ 9,777,336
Rider PS-TS-2					
Pool Manager Fee	84			\$ 75.00	\$ 6,300
Billing Adjustments					\$ -
Total Pooling Service					\$ 6,300

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G
Page 5 of 8
WITNESS: W. S. SEELYE

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE AAGS:</u>					
As Available Gas Service Rate AAGS					
Customers for the 12-Month Period					
Basic Service Charge	49			\$ 400.00	\$ 19,600
Distribution Charge		111,327		\$ 0.7009	\$ 78,029
Billing Adjustments					\$ 1,097
Subtotal					\$ 98,726
Correction Factor				1.000000	
Subtotal after application of Correction Factor					\$ 98,726
Gas Transportation Service Rider TS-2 to Rate AAGS					
Basic Service Charge	24			\$ 400.00	\$ 9,600
Administration Charge	24			\$ 550.00	\$ 13,200
Distribution Cost Component		216,090		\$ 0.7009	\$ 151,457
Billing Adjustments					\$ 125
Subtotal					\$ 174,382
Correction Factor				1.000000	
Subtotal after application of Correction Factor					\$ 174,382
Gas Line Tracker					\$ 206,239
Gas Supply Clause					\$ 606,982
Demand-Side Management					\$ 293
Total Rate AAGS					<u>\$ 1,086,622</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
for the Twelve Months Ended February 28, 2017
Gas Operations

DATA: BASE PERIOD FORECAST PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORK PAPER REFERENCE NO(S):
30 Year Normalized with Adjustments

SCHEDULE M-1.3-G
Page 6 of 8
WITNESS: W. S. SEELYE

Rate Class	Customers	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>RATE FT:</u>				
Firm Transportation Service (Transportation Only) Rate FT				
Administrative Charges	883		\$ 550.00	\$ 485,650
Distribution Cost Component		11,857,440	\$ 0.4302	\$ 5,101,071
Billing Adjustments			\$	-
Subtotal			\$	5,586,721
Correction Factor			0.998063	
Subtotal after application of Correction Factor			\$	5,597,561
Gas Supply Clause			\$	31,573
Demand-Side Management			\$	3,381
Total Rate FT			\$	<u>5,632,515</u>
<u>RATE PS-FT:</u>				
Pooling Service Rate PS - FT				
Administrative Charges	839		\$ 75.00	\$ 62,925
Billing Adjustments			\$	-
Subtotal			\$	62,925
Correction Factor			1.002389	
Total Rate PS-FT after application of Correction Factor			\$	63,075

Louisville Gas and Electric Company
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SCHEDULE M-1.3-G
Page 7 of 8
WITNESS: W. S. SEELYE

Rate Class	Customers	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>INTRA-COMPANY SPECIAL CONTRACTS</u>				
Intra-Company Special Contract - Sales Service				
Customers for the 12-Month Period	12		\$ 180.00	\$ 2,160
Distribution Cost Component		356,533	Mcf \$ 0.3329	\$ 118,690
Demand Charge		198,720	Mcf \$ 11.2629	\$ 2,238,163
Billing Adjustments				\$ 25,094
Subtotal				\$ 2,384,107
Correction Factor			1.000000	
Subtotal after application of Correction Factor				\$ 2,384,108
Gas Line Tracker				\$ 3,134
Gas Supply Clause				\$ 1,346,486
Total Intra-Company Special Contract - Sales Service				<u>\$ 3,733,728</u>

Louisville Gas and Electric Company
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Detailed Calculation of Base Period Gas Revenues
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Gas Operations

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SCHEDULE M-1.3-G
Page 7 of 8
WITNESS: W. S. SEELYE

Rate Class	Customers	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>INTRA-COMPANY SPECIAL CONTRACTS</u>				
Intra-Company Special Contract - FT Service				
Customers for the 12-Month Period	8		\$ 800.00	\$ 6,400
Distribution Cost Component		1,018,272	Mcf \$ 0.0497	\$ 50,608
Demand Charge		345,600	Mcf \$ 2.4801	\$ 857,123
Bill Adjustments				\$ 34,614
Subtotal				\$ 948,744
Correction Factor			0.999998	
Subtotal after application of Correction Factor				\$ 948,743
Gas Supply Clause				\$ 7,610
Total Intra-Company Special Contract - FT Service				<u>\$ 956,353</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Detailed Calculation of Base Period Gas Revenues
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SCHEDULE M-1.3-G
Page 8 of 8
WITNESS: W. S. SEELYE

Rate Class	Customers	MCF	Present Rates	Calculated Revenue @ Present Rates
<u>DISTRIBUTED GENERATION GAS SERVICE</u>				
Customer Charges	12		\$ 40.00	\$ 480
Distribution Charge		8	\$ 0.3329	\$ 3
Demand Charge		580	11.263	\$ 6,528
Bill Adjustments				\$ 11
Subtotal				\$ 7,022
Correction Factor			1.000006	
Subtotal after application of Correction Factor				\$ 7,022
Gas Supply Clause				\$ 30
Demand-Side Management				\$ -
Total Rate DGGS				<u>\$ 7,052</u>

Louisville Gas and Electric Company
Case No. 2016-00371
Forecasted Test Period Filing Requirements
(Forecast Test Year 12ME 6/30/18; Base Period 12ME 2/28/17)

Filing Requirement
807 KAR 5:001 Section 16(8)(n)
Sponsoring Witness: Christopher M. Garrett

Description of Filing Requirement:

A typical bill comparison under present and proposed rates for all customer classes.

Response:

See attached.

Base Period Update & Supplemental Response:

No update is required for this section.